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International Economic Forum Held in Davos

Assistance to Central Europe Discussed

LD3101193093 Budapest MTI in English 1833 GMT 31 Jan 93

[Text] Paris, January 31 (MTI)—The economic situation of the Central European former COMECON [Council for Mutual Economic Assistance] countries—Hungary, Poland, the Czech Republic and the Republic of Slovakia—was discussed in a separate conference during the world economic forum, which has been in progress in Davos since Friday [29 January].

The four countries were represented by one minister each. Hungarian Minister of Finance Mihaly Kupa addressed the debate.

The conference mainly examined how the four countries could become the building blocks of a world economic boom.

In his speech, Kupa considered it a positive phenomenon that the Western countries provide assistance to the region in the framework of such programmes as the PHARE [Economic Reconstruction and Assistance for Hungary and Poland] programme, and have created the European Bank.

On the other hand, he mentioned as a negative element that the leading Western countries, the G7 and others, have no clear long-term economic strategy and policy for the central European region, and have not recognized that the region can imply a gate towards the east.

Kupa said another negative element was that the countries concerned still have difficulties in reaching the Western markets. The situation is made more difficult by the fact that transformation and the implementation of reforms is extremely sluggish in the CIS member states, and the central European countries are the ones who pay the high price of this.

The minister of finance proposed the West should work out its long-term strategy for the region, and make its markets more accessible to their products. As regards the CIS, he proposed to create an agreement on some sort of payment agreement. This proposal elicited great interest from the participating businessmen.

As regards the experiences of the Davos forum, Kupa told MTI's Paris correspondent: "I consider it extremely important that participants to the Davos forum have recognized that a successful transformation in central and eastern Europe must continue to be assisted, investments continued, and that Western markets must be made more accessible to these countries. According to the world's senior economic experts, our region has good chances of integration into the world economy at a good pace," the minister said.

Disputes Among Forum Participants

LD0102191893 Budapest Kossuth Radio Network in Hungarian 1700 GMT 1 Feb 93

[Text] At the Davos world economic forum a sharp debate developed between the reform countries of Central Europe over how the social burdens of the economic transformation can be eased. On their return home from yesterday's plenary session, Mihaly Kupa and Gyula Horn held a briefing at the airport. Our editorial office was represented by Kata Peli-Nagy.

[Peli-Nagy] It seems that the reform countries last night managed to spoil the favorable impression created of them, because a heated debate developed between representatives of the liberal concept and the moderate left wing. Those who believe in the liberal concept are head of the Czech Government Vaclav Klaus and head of the Polish Government Hanna Suchocka; the moderate left wing is represented by Russian Civic Union Cochairman Aleksandr Volskiy and Hungarian Socialist Party Chairman Gyula Horn.

According to the liberals, the economic transformation must be followed by political changes at the same rate. The costs of the transformation, including the social burdens, will not be paid by anybody other than the countries concerned. In other words, there is no point in counting on the help of other countries.

Volskiy, who is not even regarded as a reformer by Czech Prime Minister Klaus, favors a slower transformation. In his view the state must to some extent keep under control the economic changes of the system, mainly from the point of social consequences.

Gyula Horn recommended that the West should provide clear guidance on what kind of social policy individual countries should follow in the course of the transition, and that support should be provided in exchange for fulfilling these requirements.

Mihaly Kupa said that this would go against the principles of the free market economy. Kupa also found it unacceptable that during the conference Horn spoke in Russian instead of using an interpreter and speaking in his mother tongue.

[Begin Kupa recording] The impression was created that there is a partially right-wing direction in Hungary, and that the left speaks Russian. We managed to preserve the competitive position of this region, there is interest, there are investments, This is what is very important, this is the positive response. From this point, this evening was not a good one, because it showed that there is the Czech Republic and there is Poland, Slovakia is nowhere, and there is Hungary which is a hesitant country. [end recording]

Zhelev Discusses Balkan Crisis

AU3001205993 Sofia BTA in English 2013 GMT 30 Jan 93

[Text] Sofia, January 30 (BTA)—Bulgarian President Zhelyu Zhelev, attending the international economic forum in Davos, today delivered a speech at a special session on "The Balkan Crisis: How To Stop It." In his speech Dr. Zhelev said the conflict in the former Yugoslavia should immediately be localized and ended by an international effort, a correspondent for national television reported from Davos. The enforcement of the embargo can be ensured by the institutionalization of the mechanisms of imposing international economic sanctions, the Bulgarian president stressed.

Dr. Zhelev met with Mr. Douglas Hurd, British secretary of state for foreign and commonwealth affairs. Mr. Hurd stressed that the international community and Britain are resolved to enforce the embargo on oil shipments to Serbia. President Zhelev said international institutional measures were needed to guarantee the enforcement of the sanctions. According to national radio, Zhelyu Zhelev told Douglas Hurd that due to the sanctions against Yugoslavia, Bulgaria had sustained losses which are too heavy for its economy, and insisted on compensation. The question of Macedonia's recognition was also discussed at the meeting.

President Zhelev also met Stanislav Shushkevich, chairman of the Supreme Council of Belarus, and Ukrainian President Leonid Kravchuk, said national radio without giving any details.

Hungary's Kadar Views Proceedings

LD3101182293 Budapest MTI in English 1743 GMT 31 Jan 93

[Text] Paris, January 31 (MTI)—Hungarian Minister of International Economic Relations Bela Kadar reported about the experiences of the Davos world economic forum, in an interview with MTI's Paris correspondent on Sunday [31 January].

Kadar participated in ministerial-level discussions and was leader of the roundtable dealing with the development of foreign investments.

"One of the topics discussed in the roundtable conference dealing with the international flow of capital was the evaluation of central and eastern Europe, the possible trends of future investments," Kadar said.

"The developing countries complained that the flow of international capital increasingly side-steps the so-called Third World, for which they blame the appearance of central and eastern European countries as capital importers.

"In this context, I referred to the fact that a total USD 7 billion had been invested in the so-called small countries of the former COMECON [Council for Mutual Economic Assistance] between 1989 and the end of 1992, which is merely 1.4 per cent of the total international capital export. In other words, capital continues to prefer new investments in the advanced countries," the minister said.

"Hungary's role is invariably clear in this respect: Of the USD 7 billion invested, 4 billion were to Hungary. The prevailing view, on the basis of the forum's experiences so far, is that the long-term conditions of economic development must be created, on world economic scales, as the advanced countries are unable to achieve a boom in their economies in the current situation, while the developing countries—with the exception of a few Asian and Latin American countries—are being increasingly thrust to the periphery of world economy. And this situation does not promote the east and central European transformation either," Minister of International Economic Relations Bela Kadar said.

Czech Minister on 'Different Approach'

AU0102133493 Prague CTK in English 2334 GMT 29 Jan 93

[Text] Davos Jan 29 (CTK correspondent)—The West ought to display a different approach towards the countries of the former communist bloc, Czech Economics Minister Karel Dyba told CTK today at the world economic forum in the Swiss town of Davos.

He said that equal treatment of countries with different economic levels cannot be good.

We are interested in establishing an economically advantageous free trade zone with Hungary and Poland. However, already now Western countries participate with 70 percent in the Czech Republic's foreign trade, he said and added that this is why we constantly have to compare our competitive ability with that of West European countries.

He said that in unofficial talks at the Forum, the Czech Republic is being assessed as the most successful country among all East European states which are reforming their economies.

Asked why in that case the European Community (EC) is reluctant to open its doors for the Czech Republic, Dyba said: The EC is not ignoring us. But it has enough of its own troubles. The world is not turning around us. It is in the first place up to us what we will do to be accepted to the EC, how we will deserve it, Dyba said.

Montenegrin Minister Asks UN for Relief Imports

LD0202114893 Belgrade TANJUG in English 1103 GMT 2 Feb 93

[Text] United Nations, February 2 (TANJUG)—Foreign Minister of the Yugoslav Republic of Montenegro Miodrag Lekic has launched a campaign at the United Nations (U.N.) headquarters in New York to secure formal approval for humanitarian and commercial imports to Montenegro to help areas which were affected by last year's disastrous floods in that republic. Lekic on Monday [1 February] evening met with Moroccan Ambassador to the U.N. Ahmed Senoussi, who is president of the U.N. Security Council in February, and also spoke with a number of representatives of member-states of the Security Council about the details of these imports.

The Montenegrin request received the approval of 14-15 members of the U.N. Sanctions Committee, TANJUG learns. The new United States representative at the world organization Madeline Albright, however, asked for a few more days for consultations, since the new State Department officials needed time to get familiar with the work of this committee.

All individual requests by Montenegro regarding imports of food, medicines, material, oil, and equipment were checked and received approval from representatives of U.N. humanitarian organizations.

The U.N. Sanctions Committee in mid-November approved in principle humanitarian aid for the flood-stricken regions of Montenegro. The floods caused much harm to the infrastructure, the economy and households in northern regions of Montenegro.

EC Calls on Warring Factions To Accept Plan

LD0102233693 Belgrade TANJUG in English 2311 GMT 1 Feb 93

["Pool" item]

[Text] Brussels, February 1 (TANJUG)—The foreign ministers of the European Community countries on Monday [1 February] called on the three warring factions in Bosnia-Hercegovina to immediately accept the peace plan drawn up by the cochairmen of the conference on the former Yugoslavia, Cyrus Vance and Lord David Owen.

A statement, issued after the E.C. ministerial meeting in Brussels devoted to the former Yugoslavia, calls on the U.N. Security Council to fully support both the plan and its implementation.

The U.N. Security Council will on Wednesday discuss the situation in Bosnia-Hercegovina, where an ethnic war between local Serbs, Moslems and Croats has been raging for ten months.

The conflict in Bosnia-Hercegovina has been transferred to the Security Council since the leaders of the three ethnic communities failed to reach an agreement on the three documents proposed by Vance and Owen at the conference in Geneva, mediated by the E.C. and the U.N.

The three documents—a draft constitution of the new Bosnia-Hercegovina, its division into ten provinces and a peace accord—have been signed only by the Croatian side. Serbs did not sign the document on the division of the provinces while Moslems disagree with the territorial division and the peace accord.

In Monday's statement, the governments of E.C. countries fully and unconditionally upheld the plan for a peaceful settlement of the conflict in Bosnia-Hercegovina, and the draft transitional provisions for the future government of Bosnia-Hercegovina until the holding of free and regular elections.

The Vance-Owen plan represents a logically coherent and comprehensive solution, respecting the legitimate interests of the three constituent communities in Bosnia-Hercegovina, the statement said.

The E.C. statement reiterated support to the sovereignty, territorial integrity and multiethnic character of Bosnia-Hercegovina.

Kozyrev: 'Limited Action' Not Ruled Out

AU0102172893 Paris AFP in English 1721 GMT 1 Feb 93

[Text] PARIS, Feb 1 (AFP)—Russian Foreign Minister Andrey Kozyrev on Monday [1 February] said Moscow was totally opposed to using force against Serbian-dominated rump Yugoslavia but would not rule out support for any "limited action" in Bosnia-Hercegovina.

"We could envisage, as has been suggested by several countries, a closure of the Bosnian airspace for military planes in line with the (U.N.) Security Council resolution," Kozyrev said in an interview with the Paris daily LA CROIX published Monday.

If a decision on the enforcement of a no-fly zone was made "it should not be interpreted as anti-Serbian" because all three warring parties in the former Yugoslav republic have violated the U.N. resolution banning the overflight of Bosnian territory.

"Croats are doing it much more often than the Serbs," Kozyrev said.

The Security Council has declared the airspace over Bosnia-Hercegovina a no-fly zone but the decision is not being enforced.

Kozyrev said only military planes and not planes carrying humanitarian aid should fall under the no-fly ban.

"We are absolutely opposed to any use of force against the territory of the new Yugoslav federation of Serbia and Montenegro," he said.

Military action against ground targets like runways or artillery positions would only be acceptable to Russia if international forces came under attack.

Asked to comment on reports that Russians were fighting alongside ethnic Serbian forces in the former Yugoslavia, Kozyrev condemned "mercenaries and volunteers who go to Yugoslavia to make war." These people were violating Russian laws, he added.

Czech, Slovak Premiers Discuss Currency Division

AU0102124093 Prague CTK in English 2135 GMT 29 Jan 93

[Text] Bratislava Jan 29 (CTK)—Czech Premier Vaclav Klaus held a secret meeting here with Slovak Premier Vladimir Meciar on the evening of January 19, CTK has learnt from Slovak and Czech Government sources.

The January 19 meeting of the two premiers was confirmed by Civic Democratic Party (ODS) Vice Chairman Petr Cermak. Airport authorities in the West Slovak spa town of Piestany, 82 kilometres (49 miles) from Bratislava and connected to it by a main highway, confirmed Klaus' arrival there on the 19th.

Today's disclosure of this secret meeting comes one day after news of a second secret meeting between the premiers, held on the night of January 27-28, became public.

Anna Nagyova, director of Meciar's office, told CTK that Klaus visited Bratislava last week, but she said she did not know anything about Meciar's visit to Prague.

According to information obtained by CTK, the talks concerned the division of former federal property and of the Czechoslovak currency. No official visits between the premiers of Czechoslovakia's two successor states have yet taken place.

Neither the top representatives of the Czech parliament's Chamber of Deputies nor its Foreign Affairs Committee were informed of the meetings between Klaus and Meciar beforehand.

Chamber of Deputies Chairman Milan Uhde (ODS) said he learnt about the meetings from newspapers, and added he would not ask Klaus for an explanation.

Chamber of Deputies Vice Chairman Jan Kasal (KDU-CSL) said that the premiers are mature people who know what they are doing and that, in his opinion, parliament need not approve interstate contacts of the premier, president or any other representative.

Chamber of Deputies Vice Chairman Pavel Tollner (KDS) told CTK he does not think anything is being done behind the parliament's back.

ODS spokeswoman Jana Petrova said the party prefers open and public discussions, but if a secret meeting is held that helps to settle a problem smoothly it can be excused, since the division of a state and currency is an exceptional event taking place at an exceptional time.

Czech Vice Premier and Chairman of the Civic Democratic Alliance (ODA) Jan Kalvoda rejected allegations of a conspiracy and appealed for understanding in situations which are difficult to express or cannot be expressed for reasons of essential loyalty to the coalition principle.

According to Christian Democratic Party (KDS) Leader Vaclav Benda, the KDS had been told beforehand that the meetings would take place, and that it is always informed in detail about the topics of discussions between the two premiers.

Petra Buzkova from the Czechoslovak Social Democratic Party (CSSD), told CTK that the separation of the Czechoslovak currency ought to be carried out as quickly as possible but not in such a way as to shock people. For this reason, she said she does not consider it reasonable for the government to make secret moves and not inform people beforehand.

Jaroslav Ortman from the Left Bloc (LB) said he thinks that in a functioning parliamentary democracy it ought to be the duty of the prime minister to inform parliament of events such as meetings with representatives of other countries.

The Movement For Self-Governing Democracy of Moravia and Silesia believes it is shameful for a leader of the victorious party to be meeting secretly with a foreign politician without informing parliamentary parties about it.

More Czech-Polish Border Crossings To Open Soon

AU0102133093 Prague CTK in English 2039 GMT 29 Jan 93

[Text] Prague Jan 29 (CTK)—Polish Foreign Ministry and Interior Ministry officials have proposed to their Czech counterparts to immediately start work on amending the agreement on cross-border contacts, the Czech Foreign Ministry told CTK today at the close of a two-day meeting of Czech and Polish experts.

The amendment designed to make it possible for citizens of both states to cross the common border in either direction without passports, showing only their identity cards.

The Czechs have informed Poland that they seek to open as soon as possible two more border crossings on the Czech-Polish border, at Otovice-Tlumaczov and Mezimesti-Golinsk.

It was agreed at the meeting that both sides will continue talks on transferring the Czechoslovak-Polish agreements on consular and border matters onto the Czech Republic.

Zhulali Returns From Hungary, Croatia, Slovenia

AU0102171693 Tirana ATA in English 0921 GMT 1 Feb

[Text] Tirana, February 1 (ATA)—The Albanian minister of defence, Safet Zhulali, returned home after an official and friendly visit to Hungary .

Following the meetings and talks at the Hungarian Ministry of Defence, Minister Zhulali met with the foreign minister of Hungary, Dr. Geza Jeszenszky, the state secretary general, Tamas Katona and the chairman of the Parliamentary Defence Commission, Gyorgy Balog. In these meetings, they talked on problems of cooperation between our two countries and the situation in the region.

On January 28, the military agreement between Albania and Hungary was signed. It was signed for the Albanian side by the minister of defence, Zhulali and for the Hungarian party by the minister of defence, Lajos Fur.

In continuation, the Albanian minister of defence made official visits to Croatia and Slovenia. In Croatia, alongside the meetings at the Ministry of Defence, the Albanian minister of defence met and held talks with the speaker of the Croatian Parliament, Stipe Mesic. Whereas in Slovenia, Mr. Zhulali held talks with the Slovenian minister of defence. In these working meetings they talked on the possibility of bilateral cooperation and on problems of the current tense situation in our region.

Defense Minister Views Balkan Conflict, Tasks

AU3001181793 Budapest UJ MAGYARORSZAG in Hungarian 28 Jan 93 pp 1,3

[Interview with Albanian Defense Minister Safet Zhulali by Attila Szalai in Budapest on 27 January: "Albania Is Seeking Security Guarantees"]

[Text] On a three-day official visit in Hungary, Albanian Defense Minister Safet Zhulali gave an interview to the "Starting Page" program of Hungarian Television Channel 2 on 27 January, and he also answered our questions.

[Szalai] There is a serious war tension in the Balkans today. How do you and the Albanian Government evaluate the situation in the Balkans?

[Zhulali] Albania is indeed in a very tense region today. As a member of the new Albanian democratic government in charge of our defense, I have the task of keeping the danger of war away from our borders to the extent possible. Therefore, I contact the politicians and governments of every country that wants to have friendly relations with us, and I try to do everything in my power to avoid the danger of war. We must obtain guarantees that could restrain the forces that might threaten our country. Despite its poverty and weak military technology and industrial background, Albania will face any aggression. We have a historical right to live where we were born, and we also have the right to build a normal and nicer world after one of the toughest communist dictatorships.

[Szalai] What guarantees do you have in mind?

[Zhulali] We count a lot on the position of the EC and the world's leading powers, namely that they will hinder the spread of the conflict in our region with deeds and not only with promises. I was received in Hungary in the same friendly manner as in the other countries I have visited so far, and we have even succeeded in signing defense agreements with some of these countries. [Hungarian Defense Minister] Lajos Fur showed great understanding toward our problems, and we hope that the Hungarians' help through their experience in officer training and the democratic restructuring of the army will materialize soon.

[Szalai] Which countries have you visited so far, and which countries do you intend to visit?

[Zhulali] We have already succeeded in signing friendship agreements in Turkey, Greece, Bulgaria, Romania, and Hungary. I am striving also to sign peaceful agreements with the neighboring countries as soon as possible. We would also like to sign agreements with the NATO countries. Because NATO refused our request for membership, we are trying to approach the alliance through the NATO Cooperation Council, and we also intend to sign bilateral agreements with as many EC countries as possible.

[Szalai] A lot of Albanians live in Kosovo. There is also a considerable Albanian minority in neighboring Macedonia. What is Albania's position on this issue?

[Zhulali] Regarding Kosovo, I would like to point out that we do not have any territorial demands or demands for border modification. We would like to see a demilitarized Kosovo and UN troops replace the Serbian military units stationed there. We do not regard Kosovo as an integral part of Albania, and if it has to be part of Serbia, we would only like to have international guarantees for the human and minority rights for our brothers living there. As for Macedonia, 40 percent of the population there is Albanian. There are five Albanians in the government there, including a deputy minister, but the Albanian minority is not represented in the administration and the various state institutions in accordance with the election figures. We are striving for friendly relations with the Macedonian Government, and both our president and myself have already visited there.

Military Involvement in Yugoslavia Rejected

AU0102140093 Sofia BTA in English 1205 GMT 1 Feb 93

[Text] Sofia, February 1 (BTA)—Bulgaria's position is categorical: the conflict in the former Yugoslavia should be resolved by political means, any military intervention should be a last-resort measure, we believe that the political means for solving the problem have not been exhausted yet, Lyubcho Trokharov, head of the Southeastern Europe Department with the Ministry of Foreign Affairs, says in an extensive interview to which today's STANDARD NEWS has devoted a whole page. The factors that can help find a solution to the conflict are the United Nations, the European Community and the Conference of Security and Cooperation in Europe, Mr. Trokharov believes.

In his opinion, Bulgaria would agree to the use of military force only if the decision is made by the UN Security Council. At the same time Mr. Trokharov reminds Bulgaria's position on its non-involvement in any military operation in the territory of the former Yugoslavia.

In reply to a question if Bulgaria could be dragged into a war, Mr. Trokharov says that "even if there are new clashes with the conflict spreading to Kosovo, Sandzhak and Macedonia, Bulgaria cannot give up its declaration of non-involvement." Naturally, Bulgaria is obliged to reconsider its position at every new stage the developments may enter upon, the diplomat notes.

So far Bulgaria has not committed itself to any actions that could strain the situation in the Balkans, he says. This, however, is not the case with some of Bulgaria's neighbours which played the role of a catalyst in creating ethnic and religious tension. Mr. Trokharov explains he has in mind Turkey's repeated declarations that it is ready to participate in a military operation launched in the territory of Bosnia-Hercegovina, which have prompted Bulgaria to "say no like Greece did." The thousands-strong rallies in Greece creating an artificial psychosis and the statements made by "certain circles in Albania which say that should something happens in Kosovo, they will intervene," are another example which Mr. Trokharov cites.

The diplomat makes a review of the relations with Croatia, Slovenia, Macedonia and Bosnia-Hercegovina over the past year, Bulgaria recognized their independence on January 15, 1992. He informs that treaties of friendship and cooperation will be signed with Croatia and Slovenia on a summit level by the middle of this year. Agreements on bilateral economic, technological and commercial cooperation with the two ex-Yugoslav republics are also being drafted, Mr. Trokharov says.

Negotiations have been held with Macedonia at different levels too, draft agreements on trade, cultural and consular relations have been exchanged. The situation in Bosnia-Hercegovina has prevented the establishment of normal diplomatic relations with that republic.

Asked why Bulgaria's diplomatic mission in Macedonia is at the level of a consulate general instead of an embassy—as is the case in Croatia and Slovenia—Mr. Trokharov points out that the opening of an embassy would mean the relations between Bulgaria and Macedonia are perfectly normal. "Over the last 45 years a Macedonianism or anti-Bulgarian orientation has been asserted in which, unfortunately, no change was observed after the disintegration of Yugoslavia, Macedonia's recognition and the election of a new government there," Mr. Trokharov says. He sees in Article 49 of the new Macedonian Constitution a prerequisite for confrontation with Macedonia's neighbours. There are attempts to direct the activity of certain structures in Bulgaria's territory too, Mr. Trokharov notes adding that he has in mind the Ilinden United Macedonian Organization in the formation of which ex-Yugoslavia has also had a hand.

Bulgarian Mercenaries Said Fighting on Serb Side

AU0202105793 Sofia BTA in English 0951 GMT 2 Feb 93

[From the BTA daily "Press Review"]

[Excerpt] Sofia, February 2 (BTA)—[Passage omitted] Bulgarian mercenaries are fighting on the Serb side in Bosnia, 24 CHASA reports, citing a declaration by former Chief Mufti Nedim Gendzhev. The declaration is signed on behalf of the European Muslim Union (whose deputy leader Mr. Gendzhev is) and will be delivered to President Zhelyu Zhelev and Prime Minister Lyuben Berov today. A special commission left for Bosnia to collect evidence of Bulgarians' involvement in the war, the daily reports. However, no specific facts of involvement are mentioned. [passage omitted]

Berov Reassures Greece of Friendly Relations

AU0102180293 Sofia BTA in English 1723 GMT 1 Feb 93

[Text] Sofia, February 1 (BTA)—Bulgaria and Greece will be maintaining goodneighbourly relations, as countries which see what their mutual interests are, Bulgarian Prime Minister Lyuben Berov told the Salonika Macedonian News Agency, BTA learnt from the Council of Ministers Press Office. Contacts are getting more active, Mr. Berov said, citing the progress made at his talks with Greek Foreign Minister Papakonstandinou in Paris.

Romania and Turkey have some reservations about the initiative to hold a Balkan meeting, Mr. Berov says. There are some differences over which countries should take part in such a forum, too. Athens would like Albania and Sofia to attend the meeting. Turkey, however, has shown silent reluctance.

Prof. Berov thinks it would be useful to resume the meetings between the prime ministers of Bulgaria and Greece, which have not taken place in the last two years, especially if specific issues, mostly economic, are settled.

Bulgaria and Greece differ only over the name Macedonia but we won't quarrel about that, the Bulgarian prime minister stressed. Commenting on the fact that Bulgaria recognizes the state of Macedonia, yet not a Macedonian nationality, Mr. Berov said that, to have a nationality, one needs a common language, history, government and ethnic consciousness.

Asked whether the war in Yugoslavia may be halted, Prof. Berov said no war can continue for ever. The fighting will be stopped and then a solution will be sought about the borders, which are now being drawn by force, the Bulgarian prime minister said.

Zhelev: Integration, Stability 'First Priorities'

AU0102203093 Sofia BTA in English 1911 GMT 1 Feb 93

["Today"—BTA headline]

[Excerpts] Sofia, February 1 (BTA)—Integration in the European structures and stability in the Balkans are first priorities in Bulgaria's foreign policy, said President Zhelyu Zhelev in an interview for Deutsche Welle broadcast yesterday and published here today. Dwelling on the situation in the Balkans, Dr. Zhelev pointed out that if there is some tension in this region it stems from the countries which have not recognized Macedonia yet. [passage omitted]

Bulgarian Prime Minister Lyuben Berov received today former U.S. Ambassador to Bulgaria Mr. Sol Polansky who is now working at the U.S. Civil Democracy Corps (CDC). Mr. Polansky assured Mr. Berov that he is actively working in the interest of Bulgaria at the CDC. Mr. Berov and Mr. Polansky discussed the possibilities for direct U.S. aid in three fields of particular importance for Bulgaria at present: technical assistance in the assessment of units earmarked for privatization, aid in the elaboration and implementation of concrete programmes in health care and in private farming in Bulgaria. The CDC will soon send more than 60 volunteers to Bulgaria. [passage omitted]

International Observer Mission on Danube Demanded

AU0102191193 Sofia BTA in English 1852 GMT 1 Feb 93

[Text] Sofia, February 1 (BTA)—The Bulgarian Government proposes that one or several permanent international observer missions be stationed in the lower reaches of the Danube River in a declaration adopted at a regular meeting today. The government reiterates its willingness to strictly enforce the embargo against Serbia and Montenegro. At the same time, the Bulgarian Government realizes that the use of force, which is not explicitly envisioned in UN Security Council Resolution 787, may lead to developments in the region which are hard to predict, including the spread of the military conflict, the document says. With a view to the concrete situation, the Bulgarian Government has taken all possible action to enforce Resolution 787 unilaterally by peaceful means.

There is also the danger of loss of life and an environmental catastrophe in the Danube and the Black Sea, which would necessitate the closure of the nuclear power plant in Kozloduy. The cabinet believes the international community should give priority to the problem of the responsibility of those, who directly violated the sanctions. The issue of responsibility should be treated separately for the countries which load the barge trains, the countries whose territorial waters are crossed by them, and the countries acting in the common section of the Danube River, the declaration says.

Mindful of the fact that there are no liquid fuel loading and unloading facilities on the Bulgarian coast and that, reportedly, the sanction-busting originated downstream from the Bulgarian-Romanian section of the river, the Bulgarian Government proposes that one or several permanent international observer missions be stationed in the lower reaches of the Danube. Their mandate may include notification and prevention of violations, registering of sanction-busting, and so on.

National Bank Governor Submits Resignation

AU0102211093 Sofia BTA in English 1957 GMT 1 Feb 93

[Text] Sofia, February 1 (BTA)—The Governing Board of the National Bank of Bulgaria met today with the Parliamentary Budget and Finance Committee to discuss the resignation of National Bank Governor Todor Vulchev. Prof. Vulchev announced his intention to resign a week ago and submitted his resignation officially to Parliament today.

At the meeting the M.P.'s [members of parliament] tried to find out whether Prof. Vulchev was forced to resign. After the meeting the chairman of the Budget Committee, Mr. Ventsislav Dimitrov, told journalists that the details around the resignation are still being studied. Providing no further comment, he said that the moment is not appropriate for a resignation of the National Bank governor. The Budget Committee will come out with an official stand after meeting Prof. Vulchev who was not present at the meeting today.

Mr. Ventsislav Dimitrov did not rule out the possibility of Prof. Vulchev being asked to withdraw his resignation.

At a press conference several days ago Professor Vulchev announced his intention to resign and said that it is essential that the National Bank of Bulgaria should not be run by groups external to it, that no one outside the National Bank should be allowed to pull the strings. He mentioned the Podkrepa Labor Confederation and First Private Bank without providing any further details. Prof. Vulchev said that he does not know of any political force being interested in replacing the governor of the National Bank at present but did not exclude the possibility of some needing an obedient figure, one that would be easy to manipulate and order about. Prof. Vulchev also said that he may continue to perform his functions till this summer in order to give parliament time to find an appropriate figure for this post.

Berov Views Domestic Policy With BSP Leaders

AU3001145993 Sofia Khorizont Radio Network in Bulgarian 1400 GMT 29 Jan 93

[Maria Tsankova report]

[Text] Prime Minister Lyuben Berov received Mr. Zhan Videnov and Mrs. Nora Ananieva from the Bulgarian Socialist Party [BSP] at their own request today.

Mr. Berov reportedly briefed the Socialists on the fact that Valentin Dobrev, Dimitur Ikonomov, and Mikhail Srebrev are his candidates for the post of foreign minister. He is expected to inform the other two parliamentary groups on the same subject. Mr. Berov expressed his wish that the National Assembly select one of the three candidates within the next 15-20 days.

The government intends to submit the first draft budget for 1993 to the National Assembly on next Monday, 1 February, Zhan Videnov reported after the meeting with the prime minister.

He added that the Socialists have already made the necessary arrangements for establishing contact with the relevant ministers in order to express their views on what they like and do not like about the budget.

Mrs. Ananieva said that according to the Socialists, the government program, which should presumably be submitted by 2 February, must contain an additional provision on the cabinet's legislative priorities.

Nora Ananieva and Zhan Videnov briefed the prime minister on the results of their visit to Greece and Israel.

SDS Protests Government's 'Political' Dismissals

AU2901214393 Sofia BTA in English 2057 GMT 29 Jan 93

[Text] Sofia, January 29 (BTA)—"The Union of Democratic Forces (SDS) protests against the mass dismissals for political reasons, which Prof. Berov's cabinet is promoting at all ministries and in the local government," says a declaration of the parliamentary SDS read in parliament today before M.P.'s [members of parliament] asked questions to cabinet ministers.

The government "dismissed deputy ministers of agriculture, defense, trade, the environment, industry and the interior, local government officials and experts, who did much to change the system, stabilize this country and improve its international image," the declaration says. At the same time it is reinstating in office persons closely connected to the ousted communist regime, the declaration alleges.

"I do not intend to run loyalty checks on Interior Ministry employees or review politically motivated dismissals under the previous SDS government," Interior Minister Viktor Mikhaylov said, answering an M.P.'s question.

Mr. Mikhaylov said he had not reinstated employees. In the one month since he took office, Mr. Mikhaylov dismissed one regional Interior Ministry director. One deputy department chief at the ministry's headquarters retired.

Today's TRUD runs an interview with Prime Minister Lyuben Berov, who also discusses dismissals. "There are regional governors, who lack the needed education. A secondary school graduate cannot hold this office," Prof. Berov said, responding to charges that he is sacking people for political reasons.

BSP Plenum Discusses National Economic Program

AU3101190993 Sofia Khorizont Radio Network in Bulgarian 1730 GMT 31 Jan 93

[Text] On 31 January in Sofia a plenum of the Supreme Council of the Bulgarian Socialist Party [BSP] and the BSP parliamentary faction took place. Representatives of BSP municipal and regional councils and the ideological currents within the party took part in the plenum. The alternative program for developing the country, prepared by the BSP, was thoroughly discussed by the participants. The program is called "Prospects for Bulgaria." This was also the first item on the agenda. This is what Zhan Videnov, BSP leader, said about the discussion.

[Begin Videnov recording] At the conference we discussed one of the major issues on our agenda—the alternative program on developing the country—which the BSP will present to our public. We worked six months on this program. The idea to prepare it was proposed almost one year ago.

We marked different approaches and worked out alternative materials. Today we discussed some of them and clarified certain fundamental issues. Within 14-20 days we will meet again and finally adopt the project. I hope that by the end of February the project will be published and subjected to a broad public discussion.

What impressed me today was the constructive character of the discussion. It demonstrated that the country obviously is in a more different situation than the one we had at the beginning of the year, and that the BSP sees in this situation many opportunities to implement the commitments it assumed to its voters. The public can expect serious initiatives on the part of the BSP in the upcoming weeks and months. [end recording]

On the second item of the agenda the participants decided to hold an all-party BSP conference on 27-28 March in Sofia.

Podkrepa Units Split To Form New Association

AU0202095393 Sofia OTECHESTVEN VESTNIK in Bulgarian 23 Jan 93 p 2

[Petya Vladimirova article: "Pyramid Veiled in Fog—Is This the Podkrepa Labor Confederation?"]

[Text] The dissatisfaction among certain lower units of the Podkrepa Labor Confederation could be sensed already last year, especially among the physicians and the academic circles. For example, in December the membership of the 3,000-member branch at the Academy of Sciences fell by a factor of three because of disagreement with the policy of the "center," and finally, the branch was expelled from Podkrepa. Now this branch is among the founders of the new Association of Democratic Trade Unions. The same thing happened at the Technical University in Sofia, whose trade union left Podkrepa. The amazing fact is that after these branches were branded by the Confederative Council, many of their members returned to Podkrepa.

Docent Milkov from the Technical University, member of the organizing committee of the Association of Democratic Trade Unions Congress, told our reporter the following:

We decided to hold this congress because of the lack of the possibility to frankly discuss the actions of the Executive and Confederative Councils. The statute makes no provision for convening an extraordinary congress, even if 20,000 members sign such a demand, because, if the cited condition is fulfilled, the leadership is not obliged to convene a congress but "can" do so. Thus, the only thing to do is to found an association of existing organizations that are leaving Podkrepa and organizations that are now being created. We are dissatisfied with all aspects of the activity of the Executive and Confederative Councils. Podkrepa's trade union policy protects only those branches from which Podkrepa expects to profit. Podkrepa has already been discredited by its economic policy—suspicious sales, subsidies from unknown companies, and so forth. Under the ostensible pretext of trade union opposition, the political activity of Podkrepa, originally created as an alternative to the official trade unions, prompted it to support those who unconditionally demanded the ouster of the first democratic government of the Union of Democratic Forces [SDS]. Let us not forget that the rank and file members of Podkrepa voted for the SDS. Instead of conducting talks the leadership simply expelled entire organizations or played deaf. Actually, no one knows the number of Podkrepa members, and nobody intends to declare this number.

Our aim is to establish an association of equal organizations, linked with each other but without the principle of so-called democratic centralism. In other words, the association will not be a pyramid veiled in fog with only the top clear, as is the case with Podkrepa.

Exchange of Currency To Start This Week

AU0102142493 Prague CTK in English 2023 GMT 28 Jan 93

[Text] Prague, Jan 28 (CTK)— The Chamber of Deputies of the Czech Parliament is expected to discuss a bill on currency separation on Tuesday, February 2, CTK learnt from parliamentary sources today.

According to today's decision by the Organizational Committee of the chamber, its fourth meeting has been called for February 2.

Passage of the bill and its publication in the law digest is a condition for the government to be able to set a date for the emergence of a separate Czech currency.

There has been talks in parliamentary corridors of economic ministers completing the bill on currency separation at the coming weekend. Czech Deputy Premier Josef Lux told CTK that economic ministers, who were to discuss the Temelin nuclear power plant today, changed the agenda and dealt with a bill on currency separation.

According to unofficial reports from financial circles, the exchange of the present currency with a stamped one could begin on February 4 or February 6. Some members of the chamber's economic committees have pointed out that the date for the separation depends on the result of talks with Slovakia. Under a clause in the Czech-Slovak agreement on a monetary union, the currency may be separated after the two sides agree on it.

The bill is expected to define the method in which the currency will be divided, set the 1:1 ratio of exchange and the amount of currency that financial offices will exchange at once. Paper banknotes to the value of 10, 20, and 50 crowns will remain valid.

The February 2 parliament session will be interrupted at noon when the chamber meets at Prague Castle for a special session at which President Vaclav Havel will take the oath of office.

Officials Cited on Details of Currency Split

AU0202090693 Prague HOSPODARSKE NOVINY in Czech 27 Jan 93 pp 1, 2

[Report by Marcela Doleckova: "In January—Still for Czechoslovak Korunas"]

[Text] The treaty on payments between the Czech Republic and Slovakia is likely to be based on clearing. In both central banks, there should be a center through which mutual payments would be made in both national currencies. This is what a high-ranking official from the Finance Ministry, who wished to remain anonymous, told us yesterday. According to him, the Czech side would show a surplus very soon. If this surplus exceeds a certain amount of fixed credit (5 percent of turnover is the amount usually cited in such treaties), the treaty on payments would foresee payment in freely convertible currencies.

In the opinion of yet another official, even if the exchange rate between the two currencies was 1:1, it would not be tenable for very long. It seems likely, then, that—perhaps immediately, or within several days or weeks—the Slovak Republic will devalue its currency. However, the Czech surplus on the clearing account would increase even faster. Asked whether Slovakia would be able to cover this Czech-Slovak trade deficit from Slovakia's convertible currency reserves, the official indicated that Slovakia was not prepared to implement any kind of foreign currency regulation, but could submit an application to the IMF requesting a bridging loan. It is likely it would be granted this loan. In addition, the Czech Republic could propose that Slovakia itself draws on its last portion of credit with the IMF, a portion that Czechoslovakia did not draw on because its foreign currency reserves did not so require. Another alternative would be a loan from the World Bank.

Regarding the impact of the currency split on mutual trade, the opinion prevails at the Ministry of Finance that even then, in the event of unilateral devaluation, for both the Czech and the Slovak Republics mutual trade will be the most advantageous and most important trade for a significant period to come.

In any case, it is desirable for the treaty on payments to be passed by parliament—which is what parliament will have to do after the currency split, anyway. If it passes the treaty now, then the law on the currency split could be quite succinct, for example: As of day X, the Czech koruna is the lawful currency in the Czech Republic.

The spokesman for the Czech National Bank, M. Svehla, said that the report published in RUDE PRAVO on Tuesday [26 January] that the currency split was to take place that week is not true, and that the exchange of valid Czechoslovak korunas for stamped ones—or new ones—would take several days. The spokesman confirmed what Czech National Bank Governor J. Tosovsky had said, that is, that there will be no currency split in January.

Dailies Comment on Currency Division

AU0102134093 Prague CTK in English 1343 GMT 30 Jan 93

[Text] Prague, Jan 30 (CTK)—All Czech dailies today turn their attention to the upcoming division of the joint Czecho-Slovak currency, focusing on Slovak Premier Vladimir Meciar's secret talks here Wednesday [27 January] night with Czech Premier Vaclav Klaus.

CESKY DENIK declares speculation to be over on the currency division, naming February 7 as the Czecho-Slovak crown's last day. It cites Czech parliament Deputy Jan Kasal, of the Christian Democratic Union-Czechoslovak People's Party (KDU-CSL) as saying the parliament will receive a draft bill on currency division February 1. The Slovak Government, according to Slovak Finance Minister Julius Toth, will meet on the matter the next day at the earliest, the paper adds.

MLADA FRONTA DNES reports that Meciar allegedly asked the Czech premier for 10 billion crowns (340 million USD [U.S. dollars]) worth of assistance from the Czech National Bank to prop-up the ailing Slovak budget. The paper writes that Klaus offered no concrete response, while the Czech National Bank considers the amount unacceptable. The daily further reports that the Civic Democratic Alliance (ODA) and the Christian Democratic Union-Czechoslovak People's Party (KDU-CSL) have threatened to withdraw from the governing coalition, should the Slovak request be accepted. The four coalition parties are to discuss the matter next Tuesday [2 February], MLADA FRONTA DNES concludes.

LIDOVE NOVINY writes that the Czech and Slovak premiers signed an agreement on dividing the joint Czecho-Slovak crown at their night-time talks. The two also discussed a payments agreement between the two republics, the paper writes. Czech Finance Minister Ivan Kocarnik refused comment on reports that Meciar signed the currency division agreement only after winning a 10-year moratorium on Slovakia's repayment of a 25-billion-crown (860 million USD) debt it owes the Czech National Bank, after which his republic will be allowed to issue bonds to cover the amount.

RUDE PRAVO writes that Czech postal authorities are counting on changing individuals' money starting February 4. The exchange at banks and post offices should end February 7 at 1800, with the newly-stamped banknotes, in denominations over 100 crowns (3.30 USD), becoming legal tender the next day.

LIDOVA DEMOKRACIE today publishes the government's draft law on currency division. According to the official text, individuals who are permanent or long-term residents of the Czech Republic, or who have been granted refugee status, will be able to exchange banknotes at selected banks and post offices, upon presentation of identification, within the dates to be determined by the government. Individuals over 15 years of age will be allowed to exchange 4,000 crowns (139 USD) at once, while those under 15 will be allowed to exchange up to 1,000 crowns (35 USD). Individuals will also be allowed to designate a proxy to exchange funds, if they cannot do so in person.

The government has guaranteed that amounts over these limits will be exchangeable at a future date, once more banknotes have been stamped, though it has recommended that people deposit excess money in bank accounts where the exchange will take place automatically.

Parliament To Discuss Currency Division Bill

LD0102144893 Prague CTK in English 1021 GMT 1 Feb 93

[Text] Prague, Feb 1 (CTK)—A government bill on separating the Czecho-Slovak crown into Czech and Slovak currencies will be discussed today by the Economic and Constitutional Committees of the Czech parliament's Chamber of Deputies behind closed doors.

The decision to keep journalist out was made by deputies under a proposal by Economics Committee Chairman Vladimir Budinsky. Representatives of the mass media were advised to contact Czech Finance Minister and Deputy Premier Ivan Kocarnik (ODS) [Civic Democratic Party] and governor of the Czech National (Central) Bank Josef Tosovsky who will take part in the debate after the meeting.

Under the accepted rules of procedure, the meeting by committees are usually free for the press. Deputies, however, may rule that a meeting or part of it will be closed to the public, to protect important state interests.

The bill on currency separation is today also to be debated by the parliament Budget Committee.

The Organisation Committee should decide today on possibility of including the bill in the agenda of Tuesday's [2 February] parliament session, scheduled to open at 0900. It is expected to recommend that the 60-day constitutional term set for discussing a draft law since it is submitted to the parliament in this case should be shortened.

The Economic and Constitutional Committees of the Czech parliament's Chamber of Deputies today recommended that the chamber pass a government bill dividing the Czecho-Slovak crown into Czech and Slovak currencies, Vladimir Budinsky (ODS), chairman of the Economic Committee told CTK.

The Organisation Committee recommended that the bill be included in the agenda of the Czech parliament session, which opens on Tuesday.

Chairman of the Chamber of Deputies Milan Uhde (ODS) told CTK that he personally sees no reason for the session not to be open to the public. According to Uhde, the date of the currency separation was not discussed at the committee's meeting. I think that it is up to the government to decide on the date, he added.

Czech Finance Minister and Deputy Premier Ivan Kocarnik told the Organisation Committee that about the 40 billion crown (approximately 1.4 billion USD [U.S. dollars]) worth of Czechoslovak banknotes have been stamped with a special mark of the Czech Republic up to date. He said that allegedly 100 billion crowns (some 33 billion USD) were held by citizens on the territory of the Czech and Slovak Republics at the end of last year.

Details of Draft Currency Law Reported

LD0102115593 Prague Radiozurnal Radio Network in Czech 1000 GMT 1 Feb 93

[Text] The draft law on currency separation was discussed today by committees of the Czech parliament's Chamber of Deputies. Petr Stiegler gives more details:

[Stiegler] Members of the constitutional and legal committee and the economic committee met to discuss the draft at 0800 this morning and after some 50 minutes recommended the draft be approved. The parliament's steering committee also met and included the draft in the agenda of tomorrow's session of the assembly.

The entire meeting was held behind closed doors. According to Minister of Finance Ivan Kocarnik, secrecy is usual in cases like this one and the main aim is to avoid various speculations. However, we have nevertheless managed to obtain the text of the draft law. As it has been said before, the exchange would be done at a 1:1 ratio at selected branches of the Post Office and the Czech Savings Bank. Persons who have permanent or long-term residence in our country and are over 15 years old would be able to exchange—in a one-time transaction—4,000 koruny. Those younger than 15 will be able to exchange 1,000 koruny. The exchange will be marked on their identity card and can be carried out by proxy if the identity card of the person on whose behalf the exchange is being done is submitted.

District and local administration offices and directors of hospitals and medical institutions, etc. are to ensure that banknotes are exchanged for persons who are not able to do it themselves.

Foreigners who have no permanent residence in our country will be able to exchange money at selected branches of banks. The exchange for citizens will be carried out by banks where these subjects have their accounts up to a sum technically possible by the bank. Citizens and businessmen are obliged to accept Czechoslovak currency until the date of the currency separation. In connection with the currency separation, cash withdrawals from accounts and for mutual payments to businessmen will have to be restricted for a certain necessary period.

The banknotes denominations to be exchanged and the exchange procedure is set by the Czech National Bank. I shall report to you with more details on the law on currency separation in our next news bulletins.

Draft Currency Law Passed

LD0202105593 Prague Radiozurnal Radio Network in Czech 1000 GMT 2 Feb 93

[Text] The Chamber of Deputies is debating the draft law on currency separation. Petr Stiegler reports from the Czech parliament.

[Stiegler] As I have already reported, the deputies declared that the debate on this draft should be held in camera. Nevertheless, we have managed to obtain some information from the Chamber. Ivan Kocarnik, deputy prime minister and minister of finance, proposed in his opening address that another two paragraphs be included in the draft law, and they had not been submitted until now to preserve their secrecy.

According to these additions, from the date when the law on currency separation comes into force, legal subjects and persons must not carry out noncash payment transactions to the Slovak Republic. Likewise, when the law comes into force, the Czech National Bank must not accept payments in Czechoslovak currency, flowing into the Czech Republic, from Slovak financial establishments. Ivan Kocarnik also said that the law has been drafted in such a way that the separation can take place as fast as possible with no negative consequences for citizens.

Stamped banknotes will gradually be replaced by Czech korunas. The complete set should be in circulation in the second half of this year. Persons will be given four days for the exchange; legal subjects will be given three days. Unstamped banknotes will be valid during the exchange and legal subjects are obliged to accept them.

Then there was a debate in which several deputies from the Left Bloc took the floor, as did Jan Krycer from the Movement for Self-Administered Democracy of Moravia and Silesia.

At the suggestion of Jaroslav Ortman, the session was suspended shortly before 1030 so that political groups could meet. The session was resumed some 15 minutes later with voting on the motions for amendments. The two aforementioned paragraphs proposed by the minister of finance were adopted.

Regarding deputies' proposals, the one presented by Deputy Josef Hajek and adopted by the session is worth mentioning. According to this proposal, the government can limit the period for cash withdrawals from accounts to seven days at most.

I also caught a remark made by Ivan Kocarnik according to which the fully sufficient amount of marked banknotes and hence the lifting of all limitations should be reached by next Thursday [11 February]. Five minutes ago the law on the currency separation was passed by 173 votes.

Slovakia Allegedly Asks 10-Billion-Koruna Loan

AU0102174993 Prague MLADA FRONTA DNES in Czech 30 Jan 93 pp 1,2

[Report by "(jl, pen)": "Meciar Has Asked Klaus for 10 Billion"]

[Excerpt] Prague—During his clandestine visit to Prague on the night of 27 January, Slovak Prime Minister Vladimir Meciar—allegedly—asked Prime Minister Vaclav Klaus for financial assistance for Slovakia from the Czech National Bank. We have learned from sources close to the Slovak Republic Government Office that Meciar wants 10 billion korunas from the Czech side to rescue the Slovak budget, which apparently is in critical condition. He used the bitter political situation in Slovakia as an argument, a situation that could further complicate the republic's economic problems.

According to our information, Klaus has not responded unequivocally to the request. The Czech National Bank, however, regards a 10 billion-koruna loan for Slovakia as unjustifiable and the Civic Democratic Alliance and the Christian Democratic Union-Czechoslovak People's Party are absolutely opposed to it. These two parties—the Civic Democratic Party's coalition partners—would even consider withdrawing from the government coalition if the request is granted. The entire issue should be discussed at the next coalition meeting on 2 February. [passage omitted]

Bank Deposits Cause Drop in Circulating Currency

AU0102162693 Prague MLADA FRONTA DNES in Czech 30 Jan 93 p 1

[Report by "(vm)" of CTK: "Money Has Poured Into the Banks"]

[Text] Prague—Following the appeals for Czech and Slovak citizens to deposit their spare money in the banks and savings banks, the amount of money in circulation has dropped considerably—from 100 billion korunas to roughly 65 billion. This was confirmed for us by Leopold Surga, director of the Czech National Bank [CNB] Financial Department.

This reduction will facilitate the first phase of currency separation, since banknotes worth more than 30 billion korunas (plus 5 billion in 200-koruna notes) have already been franked in the Czech Republic; the value of banknotes franked in the Slovak Republic exceeds 15 billion korunas.

The remaining coins and 10-koruna notes will remain in temporary circulation in the two republics even after the division. Moreover, the temporary circulation of unfranked 50 and 20-koruna notes is being taken into consideration in the Czech Republic. However, according to the CNB's Pavel Kysilka, these banknotes and coins amount to only 6.0 billion korunas.

Czech Prime Minister Vaclav Klaus said in Davos yesterday that the date of the currency separation will be made public sufficiently in advance; this could be "two days beforehand."

According to our information, the period between the announcement and the actual separation could be longer. During this period, citizens will be able to exchange 100-, 500-, and 1,000-koruna banknotes for franked notes and 200-koruna notes. However, during this period, Czechoslovak korunas will also remain legal tender in the Czech and Slovak Republics, and only these korunas will be accepted in stores and so on. Then, on the day of the actual separation, Czech currency (that is, franked banknotes, 200-koruna notes, unfranked lower denomination banknotes, and coins) will become legal tender in the Czech Republic and Slovak currency will become legal tender in the Slovak Republic.

Klaus on Need To Move Toward Market Economy

LD0102233493 Prague Radiozurnal Radio Network in Czech 2100 GMT 1 Feb 93

[Text] The Czech lands are historically a part of Central and West Europe. We intend to take a straight path toward a market economy, to progress as fast as possible despite all the short-term problems this approach brings about, said Czech Prime Minister Vaclav Klaus in an address at the Zurich Old Stock Exchange, which was filled to capacity. He rejected any third way. He pointed out that Czechoslovakia's split was carried out in a correct manner and that it will be beneficial to both republics which strive to preserve as close economic relations as possible.

The Czech Republic does not need western financial injections and western advisors—it needs a development of mutual economic relations in order to increase the chances of Czech goods in market competition, Klaus pointed out.

Parliament Briefed on 1992 Economic Data

AU0102141693 Prague CTK in English 1321 GMT 28 Jan 93

[Text] Prague, Jan 28 (CTK)— The Chamber of Deputies of the Czech parliament today accepted the 1992 Czech Republic budget management report submitted by the Finance Ministry.

The basic economic indicators as contained in the report evaluate last year's results to be successful, Finance Minister Ivan Kocarnik told the legislators.

Preliminary data show that the decline of the gross domestic product amounted to 6.7 percent, much less than anticipated. Also the inflation rate of 11.1 percent was a positive achievement.

Prices rose 12.7 percent while the unemployment rate of 2.57 percent was among the lowest in Europe, the report stressed.

Kocarnik said the budget figures were preliminary at the time because the Slovak Republic's tax input to be included in common budgets has not been determined yet.

Revenues and expenditures for 1992 were projected at 249.9 billion crowns (8.8 billion USD [U.S. dollars]). Both revenues and expenditures were slightly surpassed creating a deficit amounting to 1 billion crowns (35 million USD).

Kocarnik cautioned that not all December revenues have yet been delivered, thus a more likely budget outcome would be a surplus totalling up to 400 million crowns (14 million USD).

The minister justified higher spending by referring to social programs. In this area benefits were higher by 4.1 percent due to pension and parental contributions adjustments.

However, the government has granted more subsidies to municipalities and to budget-endowed organizations than were actually spent. There is approximately a 9-billion-crown (315 million USD) surplus of these funds, the minister estimated.

The moderate surplus in the Czech budget management means, according to Kocarnik, a significant contribution to the stability of the Czech economy during the last year.

Gasoline Prices To Increase 1 February

AU0102175593 Prague MLADA FRONTA DNES in Czech 30 Jan 93 p 1

[Report by "(ru)": "Gasoline Will Be More Expensive on Monday"]

[Text] Prague—At midnight on 31 January the Benzina company will increase the prices of gasoline and diesel fuel at its gas stations. The increases will not exceed 50 halers per liter. We have learned from well-informed sources that a liter of regular gasoline will cost 18.90 korunas; super should cost 19.50 korunas, special should cost 18.40 korunas, and diesel fuel should cost 15.90 korunas. Benzina representatives refused to comment Friday [29 January] on this information and on the price increases.

Reporters Briefed on Agenda of Government Session

AU0202100393 Prague TELEGRAF in Czech 28 Jan 93 pp 1, 3

[Report by Ota Veverka: "Law on Anticommunist Resistance Postponed; From a Meeting of the Czech Cabinet"]

[Excerpts] The Czech Government has not yet discussed the draft principles of a bill on anticommunist resistance that have been submitted by deputies for the Christian Democratic Union-Czechoslovak People's Party. According to Czech Prime Minister Vaclav Klaus, the Government has been informed by coalition deputies in parliament that the bill does not correspond to the importance and seriousness of the problem of coming to terms with the past, which is why the coalition will draft new principles of this bill.

Asked by the TELEGRAF reporter whether the law on anticommunist resistance would apply also to those Charter 77 signatories who were members of the Communist Party of Czechoslovakia in the fifties and sixties, or to persons who were active in independent civic initiatives prior to November 1989, but who at the same time demonstrably collaborated with the State Security Corps [StB], Prime Minister Klaus said that thousands of issues are still completely unclear: "In which period is it possible to speak about resistance? What is resistance, as against being harmed by the communist regime? Which form of disagreement with the communist regime represents resistance and which does not? Because of the large number of unclarified issues and because the work on new principles of the bill has started, the government has decided not to express its individual, partial, substantive, and legislative comments on the submitted bill," Vaclav Klaus stressed. [passage omitted]

The Czech Government approved a draft resolution on measures securing foreign language radio broadcasts on Czech Radio. The government approved the submitted material on the understanding that it indicates a solution for the year 1993. Czech Radio has been instructed to secure foreign language broadcasts in compliance with the law; the necessary financial amount will be allocated to it for this activity. Vaclav Klaus noted that a competitive tender would be invited to determine whom the Czech Government will entrust with securing foreign language radio broadcasts after 1 January 1994. [passage omitted]

On the question of the completion of the Temelin nuclear power station, Vaclav Klaus said that it would be discussed by a meeting of economic ministers tomorrow. The Czech Government will discuss the issue next week. In this context the prime minister noted that the idea of the mayors of some North Bohemian towns attending the meeting of economic ministers was unthinkable for reasons of principle. "This is a form of pressure that the government cannot accept," he stressed. He also expressed astonishment at the fact that the mayors of North Bohemian towns are waging a struggle to halt the completion of the Temelin nuclear power station. To Vaclav Klaus it seems to be "incomprehensible from the human point of view" that a struggle should be waged in North Bohemia against Temelin for the greatest possible development of brown coal mining. He declared that what was at stake were the interests of the North Bohemian power industry lobby and definitely not the interests of the inhabitants of North Bohemia.

Vaclav Klaus also mentioned the need to sign a treaty between the Czech and Slovak Governments on the payment mechanism after the currency split. "Such a treaty should definitely be concluded prior to the split, but we have not discussed this issue so far," he said. He also noted that the currency separation would "naturally cause complications and reduce the volume of mutual trade, which will naturally have an impact on individual enterprises, the level of production, employment, and so forth. There is no doubt that the currency split is a factor that will have a negative impact on economic development in the period to come."

Summary Report of Privatization Figures Outlined

AU0202091293 Prague HOSPODARSKE NOVINY in Czech 29 Jan 93 p 16

[Report by "(dd)": "Privatization Balance"]

[Text] A total of 16,609 privatization projects regarding 3,638 objects were presented for consideration at the Czech Ministry for Administration and Privatization of National Property by the end of last year. To this, we must add some of the projects that have not been presented as yet, privatization projects for health care centers and regionally administered enterprises.

Decisions were made (as of the same date) regarding 10,821 projects, of which 3,029 were approved, and 7,792 rejected. The approved projects deal with the privatization of property representing some 470 billion korunas. There are still 5,788 privatization projects, concerning 1,468 enterprises, waiting for approval. This is what ensues from the summary report of the Ministry for Administration and Privatization of National Property.

The most frequent privatization method is the transformation of the enterprises into shareholders' companies. Their shares were mostly offered in exchange for coupons (62.2 percent), left temporarily in the National Property Fund (15.5 percent), transferred free of charge, mostly to communities (11.3 percent), designed for the Restitution Investment Fund, sold directly to domestic buyers, to foreign buyers, to employees in the form of employees' shares, etc.

A total of 89 percent of all the privatized property was transformed into companies, 6 percent was sold to previously designated buyers, 2 percent was sold in public competition, and the same amount was transferred, free of charge, to entities defined in privatization projects. Only 1 percent of the privatized property was sold in auctions, within the framework of large privatization.

Shares for 7 billion korunas in nominal value, and property worth some 4 billion korunas, were sold to foreign investors. In some cases the property was deposited with the National Property Fund on behalf of foreign investors. There have been foreign investments from 16 countries. The largest investments have been from the United States (25 percent), Germany (21 percent), Switzerland (13 percent), France, Austria, etc. On 31 December 1992, the Ministry of Privatization handed over to the Fund of National Property 1,872 approved privatization projects; in 674 cases the transformation has been completed and 1,198 cases are being processed in the National Property Fund. Some of the approved rival projects were included in basic projects, some basis projects, for various reasons, are being updated. All this has impact, among other things, on the difference in the number of approved projects by the ministry and the number of projects handed over, in their final phase, to the National Property Fund.

At present, the Czech Ministry for Administration and Nationalization of National Property is approving privatization projects that should represent a sufficient bid in the second wave of coupon privatization. According to one deputy minister, the supply side in the second wave of privatization should be ready to be launched sometime in the middle of this year.

Uhde Denies Personal Gain From Privatization

AU0102122593 Prague MLADA FRONTA DNES in Czech 27 Jan 93 p 2

[Unattributed report: "Uhde Will Sue Deputy Director of Book Wholesale"]

[Text] Prague—Milan Uhde is to sue Miloslav Burdats, former deputy director of the state enterprise Book Wholesale, for his claim that the Uhde family had a personal stake in the privatization of the state enterprise Book Wholesale. Burdats said that the current chairman of the Chamber of Deputies, while still minister of culture, made certain that the enterprise be privatized according to the project submitted by the Telegraf firm. The firm was owned by Miroslav Macek (Civic Democratic Party) and Jindrich Menzel, pre-November deputy director general of CTK. Milan Uhde confirmed his support for the Book Wholesale privatization project submitted by Telegraf. He denies, however, the claim that he did so for personal reasons. Milan Uhde's wife, Jitka, is a partner of Jan Kanzelberger, director of the firm J.R. Vilimek, which assumed a part of the privatized enterprise Book Wholesale.

Prague Mayor Admits To Sponsoring Foreign Trips

AU0102154493 Prague LIDOVE NOVINY in Czech 28 Jan 93 p 2

[Interview with Prague Mayor Milan Kondr by "(kva)"; place and date not given]

[Text] ["(kva)"] Is it true that you travel abroad at the invitation of companies with business interests in Prague?

[Kondr] When traveling abroad, we, as City Hall representatives, try—whenever possible—to make use of sponsorship simply because our own resources are limited. Our trips are either financed by our partners or by one of the companies involved. However, we always give careful consideration to which one. If you mean my recent trip to the United States financed by the AEG company, which along with CKD and Siemens is a member of the consortium supplying Prague's new subway trains, then we at the City Council also gave careful consideration to this trip. We insisted that no one from the group that decided on, and is deciding on accepting the order could participate in this trip. At the same time, however, we also took into consideration the fact that the AEG company is not making its offer itself and—apart from this—that it is the only offer under consideration. Moreover, we can discuss prices, for example, but the discussion on whether to accept this product or that product has already been completed. There was no danger of any influence being exerted in this situation. We went to the United States to see how AEG provides mass transportation in New York, especially how the trains are maintained. It turns out that it would perhaps be more advantageous if this service is provided by the manufacturing enterprise and not by the operator, as is the case in our country.

Initiative Calls for Setting Up Moravian Army

AU0102150893 Prague CESKY DENIK in Czech 28 Jan 93 p 2

[Report by "(skr)": "A Moravian Army"]

[Text] Brno—Alena Ovcacikova, a member of the Moravian National Party and one of the leading personalities in an organization called the Moravian-Silesian Information Center, said yesterday that Vaclav Klaus' first prerequisite in the talks with the Movement for a Democratic Slovakia was that the entire Slovak political scene should keep its hands off Moravia.

According to Ovcacikova, she was informed of this by National Council of the Slovak Republic Foreign Affairs Committee Chairman Ivan Laluha at an official meeting. He also told her not to speak about this in public before the state's breakup.

An unregistered movement called the Moravian Initiative is also part of the Moravian-Silesian Information Center. According to the center's "second spokesman," Pavel Kos, the Initiative considers it necessary to establish a Moravian Army, because the Bohemian Army will not—in the event of a crisis—be interested in defending Moravia. According to Kos, Vaclav Havel is a Bohemian president and the Moravian Initiative does not recognize him acting on behalf of Moravia.

Customs Unable To Handle Post-Partition Affairs

AU0102142293 Prague CTK in English 1919 GMT 28 Jan 93

[Text] Bratislava, Jan 28 (CTK)— Neither the Czech nor the Slovak Republic were prepared to handle the issue of customs after Czechoslovakia's division, Jozef Rajtar, deputy director of the Slovak Customs Authority told journalists today.

He said that there are gaps in legislation as well as in the preparedness of customs bodies in which officers work under a great strain.

He said that Slovak customs posts set inside the country in the vicinity of the Czech-Slovak border are currently fulfilling tasks which should be carried out by border customs. The situation is aggravated by the lack of data concerning the volume of goods entering or leaving Slovakia, he added.

Rajtar said the biggest problem was in collecting taxes on exported and imported spirits and cigarettes. Traffickers in spirits and cigarettes are very well organized as big money is at stake, he said.

Kovac Says Presidential Candidacy Possible

AU0102183393 Bratislava PRAVDA in Slovak 30 Jan 93 pp 1, 2

[Interview with Michal Kovac, deputy chairman of the Movement for a Democratic Slovakia (HZDS), by Stefan Hrcka; place and date not given: "I. Gasparovic Refused To Run"]

[Text] After the unsuccessful presidential elections this week, there were ripples on the Slovak political pond. In this connection, we asked Michal Kovac, former Federal Assembly chairman and the Movement for a Democratic Slovakia [HZDS] official candidate in the second round of presidential elections for an interview.

[Hrcka] According to our information, you had talks with Prime Minister and HZDS Chairman Vladimir Meciar and with National Council Chairman Ivan Gasparovic on preparations for presidential elections. What conclusions have you reached?

[Kovac] Yes, I spoke with Mr. Meciar, and then with Mr. Gasparovic. We agreed that an official HZDS delegation will be established to participate in the first round of talks involving the leaders of the parliamentary parties and movements. Then, I will lead, as an HZDS candidate, another round of talks. After both rounds we will evaluate the situation, and according to our needs, another round of talks would be held with the participation of Meciar, the chairman of the HZDS club of deputies, and myself.

[Hrcka] You are the official candidate of the Movement in the upcoming presidential elections. However, Ivan Hudec, an independent deputy, nominated Ivan Gasparovic for president. He is also an HZDS member....

[Kovac] Shortly before our conversation, we spoke on the phone with the National Council chairman. I asked him about this proposal. Mr. Gasparovic said—and I am taking this statement at face value—that Ivan Hudec had spoken to him about such a proposal, but that Gasparovic rejected it and continues to reject it.

[Hrcka] The HZDS does not have the 90 votes in parliament necessary to elect the president. Do you have promises from other parties that they would support you?

[Kovac] We have obtained no new promises. There are only promises from the prior period. After the talks that I mentioned, we will learn whether representatives of other parliamentary parties and their deputies would be willing to join the HZDS proposal regarding my candidacy.

[Hrcka] How do you view the position of the Party of the Democratic Left and the Slovak National Party, according to which they demanded that in compensation for their support for a HZDS candidate, they would require either the [director of the] Supreme Control Office or the Slovak National Bank governor?

[Kovac] I would rather not comment, since my views do not matter at the moment. The important thing is what the ruling power—the HZDS—and the prime minister can offer. It is he who holds the executive power. He is also entitled, after an agreement with the HZDS, to make the necessary proposals. For the time being, I am counting on the fact that proposals presented in the previous round will, most likely, stay valid. Talks are being held, and it is possible to speak of other proposals. The official HZDS delegation will present them.

[Hrcka] During the presidential elections, there was a dispute between Meciar and Knazko regarding the voting. You have the lion's share, since their previous dispute was settled. How do you view this new dispute?

[Kovac] No factions within the Movement are involved here, which was also confirmed by Knazko and Meciar. Those are things that did happen, do happen, and will happen. In our Movement, it has been always possible to express different opinions on various subjects. If there is a resolution on a certain matter, however, a resolution that requires a unified course of action, then the proponents of other opinions, who were outvoted by the majority, should abstain from [expressing their] opinions and proceed in conformity with the applicable resolution. I support the view that conflicts of this kind should not be aired in public, since this an internal HZDS problem. This also applies to the presidential elections. If the HZDS nominates its own candidate, I do not consider it wise to publicly declare that this candidate should not be from within the Movement.

[Hrcka] Was this then not evidence of a deeper split within the Movement? Will the HZDS end as the Public Against Violence movement? This movement disintegrated nine months after its victory in the elections?

[Kovac] I am not afraid of this. Again, I am referring to Mr. Knazko's statement—and in view of what I know about the movement—I must say, there are no groups who would support Knazko or Meciar. This conflict does not stem from the division of members of the movement into several camps. Since this does not exist, the danger of which you spoke does not exist either. The Public Against Violence movement was divided at the district level and in the Coordinating Center. Here we have a conflict between the chairman and the deputy chairman, which has no basis in the movement's other organizational bodies or in the elected organs.

[Hrcka] Are you, as a candidate for the second round, convinced that the president will be elected in that round?

[Kovac] No, I am not convinced, since in politics we must be prepared for several alternatives, particularly in a democratic state where decision are made democratically. I am convinced, however, that, through political consultations, it is possible to arouse political support for votes for a certain candidate. If there is no such support, we will see that it would be wiser to postpone the election, or the candidate should give up and we should look for another one. I know from my own experience that parliamentary parties have showed due political responsibility for Slovakia's fate, and they are fully aware of the fact that postponing the presidential elections and inducing crisis situations are against the interests of Slovakia and its people. I hope that the political parties and deputies will show their willingness to reach agreement regarding the candidate, and will show this willingness during the vote as well.

Knazko on Guidelines for Electing President

LD0102204193 Prague CTK in English 2016 GMT 1 Feb 93

[Text] Bratislava, Feb 1 (CTK)—Slovakia's president cannot be elected without reaching a compromise with some political parties, Slovak Foreign Minister and Deputy Chairman of the ruling Movement for a Democratic Slovakia (HZDS) Milan Knazko said today.

It must be realised that we are not electing a president of the HZDS. We are electing the president of the Slovak Republic, Knazko told a press conference in Kosice, East Slovakia.

None of the four candidates nominated for Slovak president succeeded in winning sufficient support in the first double-round vote in the Slovak Parliament January 26-27.

In connection with the presidential election, Knazko last week demanded that a nonpartisan candidate be nominated for Slovak president. He was sharply criticised by Slovak Premier and HZDS Chairman Vladimir Meciar who accused him of breaking party discipline.

At the press conference, Knazko rejected allegations that he went to Kosice to create new wings of the HZDS.

In electing their new mayor on January 24, the citizens of Kosice voted for Rudolf Bauer, the candidate of the right-wing coalition (the Christian Democratic Movement, the Slovak Civic Democratic Party, the Hungarian Civic Party and the former Civic Democratic Union).

Parties Agree President Should Be Nonpartisan

LD0102212193 Prague CTK in English 2100 GMT 1 Feb 93

[Text] Bratislava, Feb 1 (CTK)—Representatives of Slovak parliamentary parties, with the exception of the ruling Movement for a Democratic Slovakia (HZDS), failed at their meeting today to name a candidate for the second round of voting for Slovak president.

Representatives of the Slovak National Party (SNS), Democratic Left Party (SDL), Christian Democratic Movement (KDH), Hungarian Christian Democratic Movement (MKDH) and Egyutteles told journalists that their candidate should not be member of any political party or movement.

They said the results of the June 1992 general elections do not entitle the victorious political party (HZDS) to fill important state posts only with its own candidates.

Asked why the HZDS did not attend the meeting, KDH Deputy Chairman Ivan Simko said the party did not show interest in such talks as it had declared immediately after the first round of unsuccessful voting (January 26-27) that it was ready to nominate Michal Kovac, former chairman of the federal parliament, for the second round of voting.

Under last Wednesday's [27 January] decision of the leaders of deputies' groups in the Slovak parliament, the second double-round voting for Slovak president will take place February 15-16. Only candidates who did not run in the first round may be nominated for election in the second round.

Chairman of HZDS on Development of Movement

LD0202094993 Prague CTK in English 0850 GMT 2 Feb 93

[Text] Bratislava, Feb 2 (CTK)—The Movement for a Democratic Slovakia (HZDS) can develop into a party, which would concentrate power in its hands and thus raise tensions, Chairman of the HZDS Council Rudolf Filkus said last night.

However, the prospect for the democratic development is to create a broader coalition with the other parties, Filkus told journalists after a session of the HZDS leadership in Bratislava.

He stressed that this is his private view, which could be also shared by HZDS Deputy Chairman Milan Knazko. In his opinion, there is no split within the HZDS, Filkus added.

He confirmed that the HZDS Commission, set up last night to discuss candidacy for the Slovak presidential post with the other parliamentary parties, does not include any advocate of Knazko's claim for the president being nonpartisan.

Of the HZDS district representatives' meeting in Trnava, West Slovakia, this weekend, Filkus and Knazko learnt only from the mass media. Filkus doubts that the participants in the meeting had any mandate to attack the HZDS deputy chairman and the party council's chairman (Knazko and Filkus). This does not contribute to the movement's stability and does not calm its internal structure, Filkus noted.

He confirmed that the extraordinary HZDS leadership's session, to be held February 6, will deal with his statements as well as with the stand of Knazko.

Cernak Denies 50 Percent Devaluation Planned

LD0102153893 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 0600 GMT 1 Feb 93

[Excerpt] [Passage omitted] Slovakia was represented at the World Economic Forum in Davos by Economy Minister Ludovit Cernak who had an opportunity to meet representatives of the International Monetary Fund, GATT, the European Bank for Reconstruction and Development, etc. Late last night he arrived at Bratislava airport where I asked him several questions. [passage omitted]

Obviously, I was interested in the much discussed issue of the alleged 10 billion korunas credit granted to Slovakia by the Czech Republic. Ludovit Cernak's response was as follows:

[Begin Cernak recording] The Slovak economy is far from facing a collapse because of 10 billion korunas. I am not aware of the prime ministers' agreement, thus I cannot comment on it, but I do not assume that Prime Minister Meciar would have demanded a credit because I am not aware of any sphere where we would need a credit. [end recording]

[Announcer] In connection with the currency separation there are frequent rumors about another devaluation of the Slovak currency and its possible consequences. However, Ludovit Cernak has already assured the participants in the World Economic Forum that the Slovak Republic will do its utmost to avoid a devaluation. In Davos, after all, speculations on a possible koruna devaluation ranging from 0 to 50 percent have already emerged.

[Begin Cernak recording] In no way is the Slovak economy in a situation where it will have to devaluate by 50 percent. Our trade balance is positive. We are able to manage internal convertibility. If some measures are to be taken in this respect these will certainly not be connected with the balance of payments [as heard] but with export-orientated matters. [end recording]

IMF Loans Promised To Stabilize Currency

AU0102142093 Prague CTK in English 1842 GMT 28 Jan 93

[Text] Bratislava, Jan 28 (CTK)— Representatives of the International Monetary Fund (IMF) and the World Bank will visit Bratislava on February 15 to discuss possible future loans to Slovakia, Vice-Governor of the Slovak National Bank Marian Tkac said in an interview with Slovak Radio today.

He said a Letter of Intent is to be signed during their visit, which is expected to open up the door for the National Bank and Slovakia in general to draw loans to keep the Slovak currency stable.

Referring to his recent visit to Washington and London, Tkac said the IMF had been given a Slovak Government's memorandum on the country's economic and monetary policies in 1993. In London the Slovak delegation visited the European Bank for Reconstruction and Development (EBRD) and he himself met with the governor of the Bank of England.

Slovak Official Comments on Bilateral Relations

AU0102200593 Budapest UJ MAGYARORSZAG in Hungarian 28 Jan 93 p 9

[Interview with Ivan Gasparovic, chairman of the Slovak National Council, by Marta Kamoncza; place and date not given: "An Armed Hungarian-Slovak Conflict Is Impossible"]

[Text] The first trip abroad by the independent Slovak parliament delegation was to the Czech lands. Following this visit, Ivan Gasparovic said that his next trip will probably be to Budapest because he considered neighborly relations between these two countries to be particularly important.

[Kamoncza] When can we expect this visit?

[Gasparovic] After electing the president at the end of January or the beginning of February, I would like to get in touch with Gyorgy Szabad, chairman of the Hungarian Parliament, and agree on a date. We would definitely like the Slovak delegation visit to Budapest to be one of the first visits abroad by this body. It is also possible that a Hungarian delegation will visit Bratislava.

[Kamoncza] Under the chairmanship of Frantisek Miklosko, the previous Slovak parliament cooperated well with the Hungarian Parliament. Slovak-Hungarian parliamentary committees have been established. Do you wish to continue this cooperation?

[Gasparovic] I cannot imagine a situation where we would not have cooperation between these two parliaments. I see many opportunities for a completely new approach to our work. We set up two joint parliamentary committees in 1992. One deals with the controversial aspects of the Bos power station future. The other committee is trying to find solutions to the other problematic issues in bilateral relations. In December I received a letter from the chairman of the Hungarian Parliament in which he informed me of the establishment of a Slovak-Hungarian parliamentary committee. I am certain that I will get in touch soon with the chairman of the Hungarian Parliament, when we will discuss the details of future parliamentary communication.

[Kamoncza] How would you characterize Slovak-Hungarian relations now?

[Gasparovic] Slovaks and Hungarians have been living next to each other for a thousand years, and for a long time this was in the same state. This cannot be forgotten or erased. The coexistence of the two nations means that relations have already been formed. These relations are good in some areas and not so good in others. Hungary is a sovereign state, and the Slovak Republic became independent from 1 January. Now we are talking about establishing equal relations between two sovereign countries. On this basis, a new policy has to be formed, a policy that is advantageous for both sides. I intentionally mentioned the many hundreds of years of coexistence because this is a factor that foreshadows the establishment of neighborly relations. In my view, a lot depends on the extent to which the politicians will be able to resolve the controversial issues in bilateral relations. If both sides have the necessary will to maintain good relations, then I am certain that there will not be any problems. Europe also expects both countries to cooperate with each other and live as good neighbors.

[Kamoncza] Do you think that some of the Slovak prime minister's statements addressed to Hungary were not very helpful in forming neighborly relations?

[Gasparovic] The potential power of the Hungarian Army is known in Slovakia. It has been printed in the newspapers that Hungary made an agreement with Russia and the United States on updating its military technology. The statements of some Hungarian politicians—which I do not find very fortunate—also evoke reactions from Slovak politicians. I do not believe that [Slovak Prime Minister] Meciar's statements would create anxiety such that it would result in some kind of bloody conflict between the two countries. This is completely out of the question. An armed conflict would bar both countries from communicating with Europe in a friendly way. I believe that neither Hungary nor Slovakia wants this.

[Kamoncza] From the outside, it seems as if you were pushed into the background behind the prime minister. Does this endanger parliamentary democracy?

[Gasparovic] Slovakia is a democratic state. It recognizes the division of power among the legislative, executive, and judicial authorities. Meciar represents executive power and I represent the legislative power. The executive branch cannot interfere with legislation, but the opposite may happen. Parliament passes the laws. Parliament decides what power to give to the government and to its leader. The economy takes first place everywhere in the world. This is directed by the government, especially now when, due to the economic situation, there are very many problems that have to be resolved on a welfare basis. In addition to this, the government also determines foreign policy. Actually, everywhere in the world more is written about prime ministers than about the chairmen of parliaments. Therefore, I do not at all feel that I have been pushed into the background behind the prime minister.

Walesa Departs for Havel Inauguration

LD0202113093 Warsaw PAP in English 1020 GMT 2 Feb 93

[Text] Warsaw, Feb. 2—President Lech Walesa on Tuesday [2 February] left for Prague to attend the swearing-in ceremony of new President of the Czech Republic Vaclav Havel.

The president is also scheduled to meet with presidents of Germany, Hungary and Austria.

Before the departure, the president assured journalists that he knew what to do after First President of the Supreme Court Adam Strzembosz and Interior Minister Andrzej Milczanowski refused to facilitate access to files of the former Security Service (SB) concerning Walesa's alleged cooperation with SB.

"I have known what to do for 20 years and I really know what to do next. I was able to fight and win and I will be trying to continue doing it, said the president and added that he wanted to be president for patriotic reasons not because he liked this function.

Senate Committee Views Relations With Hungary

AU0102134493 Warsaw PAP in English 2254 GMT 27 Jan 93

[Text] Warsaw, Jan. 27—Members of the Senate Foreign Affairs Committee and representatives of the Foreign Ministry and the Ministry for Foreign Economic Relations today discussed the state of Polish-Hungarian bilateral relations and multilateral cooperation involving the two countries.

Today's meeting preceded a visit by a delegation of the Polish parliament to Hungary to start on February 2.

Foreign Ministry officials stressed that Poland as well as Hungary are active members of the Visegrad group and the Central European Initiative. In their opinion, Poland's participation in those bodies is not an alternative in respect to the process of European integration. Its aim is rather to support transformation processes in countries of the former Eastern bloc and to diminish the distance dividing them from West European countries.

Representatives of the Ministry for Foreign Economic Relations briefed the senators on the current state of Polish-Hungarian economic cooperation and turnover. Bilateral turnover reached some 296 million dollars in 1992 and went down by 30 percent compared to 1991.

The ministry officials expressed the opinion that a considerable increase in turnover with Hungary can be expected after March 1, 1993, the date of coming into force of the free trade pact signed by Poland, Hungary and the Czech and Slovak Republics last December to eliminate all trade barriers over the next decade.

Spokesman Reports on Suchocka Meeting in Davos

LD0102194193 Warsaw PAP in English 1909 GMT 1 Feb 93

[Text] Warsaw, Feb. 1—Polish Prime Minister Hanna Suchocka attending the world economic conference in Davos over the weekend met with twelve top politicians and with representatives of the business community.

Zdobyslaw Milewski, the prime minister's press secretary, on Monday [1 February] listed meetings with NATO's Secretary General Manfred Woerner, Russian Prime Minister Viktor Chernomyrdin and President of Ukraine Leonid Kravchuk among the most vital ones.

Addressing a press conference, Milewski explained that "Davos is not a place where one signs agreements and contracts. In Davos one consolidates contacts," and assured reporters that Hanna Suchocka made a very favourable impression on her interlocutors.

Prime Minister Suchocka concluded her visit to Davos on Sunday afternoon and now is paying a private visit in Switzerland. She is expected to return to Poland Tuesday afternoon or Wednesday morning, the spokesman said.

Thousands of Demonstrators Protest Against Walesa

AU0102195593 Warsaw GAZETA WYBORCZA in Polish 30-31 Jan 93 pp 1, 2

[Report by Katarzyna Kesicka and Andrzej Olejniczak: "Let's Go to the Belweder!"]

[Text] Between 5,000 and 10,000 people, according to varying estimates, took part in a "march to the Belweder" on 29 January. The demonstrators called for Lech Walesa's resignation. Marching in the front row were Jaroslaw Kaczynski, leader of the Center Accord, and Jan Parys, chairman of the Movement for the Third Republic. The president was away from Warsaw.

"I don't want to quit, but I have to" proclaimed one of the biggest banners of the several dozen carried by the demonstrators [Walesa once said: "I don't want to be president, but I have to"]. The demonstration commenced on Trzech Krzyzy Square, where leaflets were handed out by its organizers, the Social Protest Committee. The message called for new presidential elections and "filling in the blank spots in the lives of Lech Walesa, Mieczyslaw Wachowski, Jerzy Milewski, and Lech Falandysz."

Before the demonstration departed, Kaczynski and Parys delivered speeches. Said Kaczynski: "We are protesting against the great deception and against a man who said he would change Poland, but who has not only failed to change it but is creating out of all the political forces a structure that is destroying Poland and returning it to the hands of the old communist nomenklatura. We want a country free of corruption and agents. We do not want a red president. Poland: It is time for changes, time for sovereignty and independence." Kaczynski proceed to call Walesa a "linchpin of the postcommunist order" in which "the Poles are divided into the privileged former nomenklatura on the one hand and everyone else on the other."

"The Belweder has the might, but we have the right," said Parys.

At 1715 the demonstration moved down Jerozolimskie Avenue toward the Belweder, chanting "We Want a President, Not an Agent," "Olszewski for President," and "Bolek [the code name under which Walesa is said to appear in secret police files] to Moscow."

In front of the Office for the Council of Ministers, the demonstrators called former Prime Minister Jan Krzysztof Bielecki a "thief." In front of the Belweder, an effigy of Walesa, painted with a red star, was burned and the national anthem sung. The demonstration ended at about 1800.

At a news conference afterward, Kaczynski said that the effigy "was not part of the plan" and that it was supposed to represent Wachowski.

Most of the demonstrators were men over the age of 50. Everyone interviewed by GAZETA admitted that they had voted for Walesa for president. "He has betrayed us," said a 65-year old pensioner. "He was supposed to be our president, but he is president of the reds. He promised to throw the secret policemen out, but he has ruined the pensioners."

"He is surrounding himself with agents, Rasputins" said several women in middle age, carrying a banner with the words "Lech, We Voted for You."

"When he refused to sign the law to reduce the pensions of secret policemen, we realized that he supports the communists," said two law students from Warsaw University. "Why has he halted the screening process? He is surrounding himself with agents. There are agents inside the government, and that is why Poland is still not independent."

When our female reporter said that she was from GAZETA, several people nearby started shouting: "GAZETA is spreading lies. It is in the hands of the communists. Get out of here, you Jew, you agents of Moscow." Some people spit at her feet and pushed her away.

One man carrying a banner saying "I support Walesa" was called a "red bastard" and pelted with snowballs.

Kaczynski announced the formation of a committee to organize new presidential elections, consisting of "those who will build a new Poland." It is intended to include the Center Accord, the Movement for the Third Republic, and the Freedom Party. He admitted, however, that these groups do not yet have a presidential candidate.

Walesa Aide Rebuts Attacks on President

PM0102120093 Lodz GLOS PORANNY in Polish 25 Jan 93 pp 1, 3

[Interview with Minister Lech Falandysz, deputy head of the President's Chancellery, by correspondent "H. S."; place, date not given]

[Text] [GLOS PORANNY] When an ordinary man in the street insults the president, the matter reaches the courts in no time at all. We recently had examples of such cases. When, on the other hand, a prominent politician insults the president, the prosecutor's office fails to take any action at all. Do you not believe that people have good reason to be surprised at such discrepancy?

[Falandysz] It is true that the repeated, offensive attacks against the president by his former collaborator, Mr. Jaroslaw Kaczynski (who was himself at one time head of the President's Chancellery—"H.S." note) beg the question: Why is he not suffering the consequences of his actions? Unfortunately, it often happens that it is easier to "hunt down" an ordinary citizen than to bring to justice a ruthless, brutal, and cunning politician.

[GLOS PORANNY] All the same, the law is supposed to protect a person's good name and dignity against defamation of character caused by slander or libel...

[Falandysz] Such effective laws against defamation existed in Poland only during the interwar period and for a short time after World War II. Communism brought with it the "right to criticize," and its inclusion of the latter in the penal code brought with it also cancellation of the "bourgeois" provisions protecting persons' good name and dignity. Later, this was to effectively preclude all defense against defamation of character. Even today, as ZYCIE WARSZAWY recently pointed out, Poland is still a paradise for slanderers. They will continue to feel free to pursue their onslaughts until we change the relevant laws in the penal codes.

[GLOS PORANNY] What, in your opinion, are Kaczynski's motives in his blunt attacks against the president?

[Falandysz] Well, you see, actually it is perfectly possible to criticize the president, however blunt the criticism might be. However, the point is that we must take care not to cross a certain boundary and not to go so far as to "throw mud at the president." Because then we end up with some of that mud sticking to us. This is precisely what Mr. Jaroslaw Kaczynski is doing. He ends up with mud on his own face, wipes it off, and proceeds to throw even more mud. He is blinded by it! It is to be expected that there are no lengths to which he would refuse to go in order to regain power.

[GLOS PORANNY] What would happen if he were to regain it?...

[Falandysz] It would be a most unpleasant situation for the majority of Polish people. This is because the man will have nothing to do with democracy. His aspirations center on becoming a dictator. I believe that he would introduce a sort of a para-Nazi regime. May it never materialize, though!

[GLOS PORANNY] But Messrs. Kaczynski, Macierewicz, and Parys hold dangerous weapons in their hands: the "archival reserves" of the Internal Affairs Ministry [MSW]....

[Falandysz] Sir, their chief weapon is General Kiszczak's garbage heap. The files which concerned genuine Security Service agents have been burned and destroyed long ago. Kiszczak left mere remnants in order to enable the opposition among the post-Solidarity groups to play with them.

[GLOS PORANNY] Do you believe that those groups constitute an instrument with which the entire political configuration in the country could be reshaped?

[Falandysz] Let us face the truth: The same right-oriented and nationalist-oriented configuration held power in the country once already, for a period of six months. They tried a number of tricks, but it became apparent that the people associated with it were a bunch of hopeless incompetents. As if it was not bad enough that they could not carry out anything they set out to do, they were also unbelievably brutal and aggressive.

[GLOS PORANNY] You have also been accused of having collaborated with the Security Service. How do you intend to defend yourself?

[Falandysz] Mr. Kaczynski's campaign is directed not only against the president but also against all those who work with him. If the president does not object to the line of defense, I will know how to defend myself. I am not going to let myself be dragged into any court proceedings. Even if the accusation turns out to be false—and that is, after all, certain—they will still gain by the publicity. No one will sentence them, and to make matters worse, they will use the legal processes as a tool of destruction with which to wreck the present political configuration. This is why I will demand through the media that the charges leveled against my person be soundly documented.

[GLOS PORANNY] You are in the company of another person accused of collaboration with the Security Service: Father Franciszek Cybula, the president's personal chaplain....

[Falandysz] Indeed. It is the first accusation of this kind leveled against a priest. It is surprising when you associate its provenance with the fact that the meetings of vehement advocates of Parys, Macierewicz, and Kaczynski take place in churches. I am not sure whether this is happening with the Curia's knowledge or approval... It appears that history is repeating itself yet again. In 1922 the situation was most probably very similar. It is an obvious attack against the president and against the Belweder [president's office] with a concurrent passive attitude displayed by the Church. To put it mildly, the Church is not exactly defending the president.

[GLOS PORANNY] In your opinion, what is the motive behind the action undertaken by Messrs. Kaczynski, Macierewicz, and Parys?

[Falandysz] I believe that sooner or later people will realize that they are trying to bring about a coup d'etat. But, after all, we have had such plots in our history before. Those who brought about the assassination of President Gabriel Narutowicz belonged to the same political orientation. The only thing was that at that time it was Marshal Pilsudski and not President Narutowicz who was the original intended victim. President Walesa is not as strong as Marshal Pilsudski was then. He has no soldiers behind him. Nevertheless, we must try to preserve our faith in our own common sense and the common sense of all those around us, and we must trust that together we will not allow the worst to happen.

Walesa Asks Interior Minister To Release Files

WS0102134593 Warsaw SERWIS INFORMACYJNY in Polish 2103 GMT 28 Jan 93

["The President's Letter to the Minister of Internal Affairs"—SERWIS INFORMACYJNY headline]

[Text] Lech Walesa, president of the Republic of Poland, forwarded a letter to Andrzej Milczanowski, minister of internal affairs.

The contents of the letter are published in full below: "In connection with public accusations insinuating that I was a collaborator of the Security Service and Citizens' Militia, I request that the files about me which are [words indistinct] be made available. I know that the documents related to this issue are secret. However, due to the fact that the accusations of collaboration concern the head of state and affront the prestige of the highest office in the country, the issue ought to be given a final explanation.

"In order to avert any allegations of manipulations when attempts to interpret the documents are made, these activities should not be performed by people professionally connected with them. I am now referring particularly to people who have controlling functions in the Ministry of Internal Affairs, for example Andrzej Milczanowski, Jerzy Konieczny, and Konstanty Miodowicz.

"I would like to suggest to you that the materials, which are a state secret, be revealed only to Adam Strzembosz, the first president of the Supreme Court. He enjoys undisputed authority and the trust of the people.

"I also believe that the documents should not be copied, photographed, or in any other way made available to third persons. It seems necessary, therefore, that the activities to be performed by the first president of the Supreme Court be sufficiently secured. The only persons who should ensure that the documents can be safely examined are employees of the Personal Security Unit or military protection.

"A just verdict should be reached only on the basis of the documents, with no additional interrogations or explanations."

Asks Court President for Review

WS0102134693 Warsaw SERWIS INFORMACYJNY in Polish 2103 GMT 28 Jan 93

["The President's Letter to the President of the Supreme Court"—SERWIS INFORMACYJNY headline]

[Text] Lech Walesa, president of the Republic of Poland, forwarded a letter to Adam Strzemboch, the first president of the Supreme Court.

We publish the letter in full:

"Since I am completely convinced about your undisputed authority—you enjoy social trust—and since it is in line with the personal proposal of my adversaries, I request that you settle the issue of my alleged collaboration with the Security Service and Citizens' Militia. These allegations are put forward by my former collegues in the struggle and collaborators, who are now my political opponents. I know that in their opinion, too, you are the most reliable person who can issue an opinion which would be final and which would end the issue of the accusations leveled against me. I hope that after you have familiarized yourself with the materials of the Office of State Protection, you will give an exhaustive answer to the following questions:

"Do the materials that are at the disposal of the Office of State Protection contain any documents signed by Lech Walesa, which could serve as proof of my collaboration with the Security Service and the Citizens' Militia?

"Do the documents indicate that 'Bolek' is a pseudonym of an agent, or is it a name for the documents collected against Lech Walesa?

"I hope that you will take a fully objective and unambiguous stance concerning this issue, which upsets the people so much.

"In the annex I am enclosing photocopies of statements by former members of the administration of the Ministry of Internal Affairs, which pertain to the matter in question, and which appeared in the mass media:

"1. Statement by Krzysztof Kozlowski—GAZETA WYBORCZA, 20-21 June 1992, article 'President's Files.'

"2. Excerpt of the interview with Piotr Wojciechowski—ZYCIE WARSZAWY, 27 June 1992, article 'Traces Cannot Be Wiped Out...'

"3. Interview with Zbigniew Pudysz—NOWINY, 28-30 August 1992, article 'Big Caliber.'

"4. Statement by Czeslaw Kiszczak, 'Wiadomosci', 21 January 1992, 2145 GMT."

Release of Files 'Difficult'

AU0102162293 Warsaw GAZETA WYBORCZA in Polish 30-31 Jan 93 p 3

['Jach, PAP' report: "Who Will Screen the President?"]

[Text] Will Professor Adam Strzembosz, first president of the Supreme Court, investigate the question of Lech Walesa's alleged cooperation with the Security Service? Will material from Interior Ministry files on the president ever be published?

"If Adam Strzembosz were to screen the president, he would first have to have a legal basis to do so. Only a Sejm resolution can provide this basis," says Supreme Court spokesman Krzysztof Kauba.

Let us remind our readers that on Thursday [28 January], Lech Walesa asked Strzembosz to adopt a stance concerning Walesa's alleged cooperation with the Security Service. At the same time, Walesa asked Interior Minister Milczanowski to place all files on him at Strzembosz's disposal.

Kauba said it would be very difficult to comply with Walesa's request and have just one person declare Walesa "innocent" on the basis of Interior Ministry files. "Only a body of people can issue the kind of verdict the president wants," he said.

He said there is no doubt that there is exhaustive Interior Ministry material on Walesa, amounting to several hundred pages, and it would be very difficult for just one person to sift through it all.

Experts are required in order to ascertain the authenticity of signatures. The task in question would require the ability to analyze handwriting and a knowledge of the way in which documents were produced, circulated, and stored by the special service. Witnesses might also have to be interviewed.

"Professor Strzembosz will give the president a reply no later than Monday, saying whether or not he will investigate the question of the president's alleged cooperation with the Security Service and Citizens' Militia," Kauba told GAZETA. He said that his reply would not be in the form of a private letter to the president, but in the form of an open letter. The president would then decide whether or not the open letter should be published in the press.

Needless to say, Presidential Spokesman Andrzej Drzycimski said on Friday [29 January] that "the president would like all the Interior Ministry material about him made available to Professor Strzembosz to be published in its entirety. However, the material is so copious that a team of people would be necessary to undertake the task. The composition of this team and the name of the publishers will be announced beforehand, and the income from the publication will be donated to environmental causes."

Security Service Said Investigating Opposition

AU0102195293 Warsaw NOWY SWIAT in Polish 28 Jan 93 p 1

[Unattributed report: "UOP Investigates Center Right"]

[Text] The Office for the Protection of the State [UOP] has established a special team to investigate politicians from the center-right opposition. Reports to that effect have been circulating in parliamentary circles for several days. UOP press spokesman Irena Popoff has categorically denied these rumors.

NOWY SWIAT obtained information on the setting up of such a team from two sources. However, we have not been able to determine whether they are independent of each other. According to one of the people we spoke to, about 20 politicians from various groupings fall within the scope of the team's interest. A group of functionaries charged with the task was supposed to have been formed on 11 January.

According to our sources, the team's aim is to gather compromising material concerning both the past and the present activities of center-right politicians. We were told that the team uses archival material from the Ministry of Internal Affairs and that it is conducting a particularly thorough analysis of decisions made by politicians who previously held high state office.

These reports could lend credibility to what Jaroslaw Kaczynski and Jan Parys have been saying. At a recent press conference, they said they believed that their telephones were bugged. Parys even said that he was a certain of that, as a friend of his, an electronics engineer, regularly checks his telephone. However, neither politician said precisely who they thought could have installed the bugging devices.

Asked about the setting up of such a team, UOP press spokesman Irena Popoff told NOWY SWIAT: "It is some piece of absolute nonsense." She said that such activity would be completely incompatible with the law on the UOP.

The UOP has a Bureau of Analysis and Information, which gathers information—including information on political parties—from open sources, such as the press or official statements. The structure of the bureau is secret, however, and that is why we were unable to find out whether it distinguishes between opposition parties and those in government.

Coalition Determined To Maintain Deficit Target

AU0102135693 Warsaw PAP in English 1802 GMT 29 Jan 93

[Text] Warsaw, January 29—Prime Minister Hanna Suchocka and representatives of the seven government coalition parties decided Friday [29 January] to unanimously and resolutely defend a package of budget decisions and to strive to maintain the deficit on the level of 81 trillion zlotys (about $5 billion), Piotr Nowina-Konopka of the Democratic Union said Friday.

The debaters decided to unanimously come out against decisions that could undermine directions adopted in the government assumptions of the socio-economic policy. It is important to rationalize the deficit and to invest in the mechanism boosting economic development rather than fuelling inflation. The decision to maintain the 81-trillion-zloty deficit means the necessity to return to the government-proposed laws on which the vote had already been taken, the MP [member of parliament] said.

He stressed the coalition was unanimous on all questions of the budget, which, in his opinion, offers good prospects for the voting in parliament.

Committees Postpone Decision on Deficit

AU0102135893 Warsaw PAP in English 2242 GMT 27 Jan 93

[Text] Warsaw, January 27—The Sejm (lower house of parliament) Budget and Legislative Committees holding a joint meeting on Wednesday [27 January] found it difficult to define the size of the budget deficit due to financial and legal reasons.

After several hours of fruitless discussion, during which deputies tried to decide whether they are empowered to vote on the government draft budget law and on a possible increase of the budget deficit by some 20 trillion zlotys (about $1.3 billion), the committees decided to postpone their meeting till next week.

The chairman of the Budget Committee, Wojciech Arkuszewski argued that he could not allow for a vote on a motion calling for the approval of a draft budget law envisaging a 81 trillion zloty ($5.2 billion) deficit which does not take into account recent Sejm laws on the value added tax, wages in the budget financed sectors, and housing credits increasing the deficit by about 20 trillion zlotys.

Arkuszewski also argued that the committees cannot vote to increase the deficit to about 102 trillion zlotys until the government presents its stance on the situation which developed after the Sejm's decisions concerning the three laws. The government would have to present proposals of cuts to cover a rise of 20 trillion zlotys in expenditures or would have to find additional sources to cover the deficit, said Deputy Arkuszewski.

Members of the two committees managed however to reach a conclusion that an increase in the budget deficit would cause greater inflation what in turn could endanger agreements with the International Monetary Fund. The next meeting of the two committees was set for February 3.

Meanwhile, the convention of senior Sejm deputies on Wednesday discussed the agenda of the next week's plenary meeting of the chamber.

The majority of deputies expressed their consent to put on the agenda the reading of the draft law granting special powers to the Hanna Suchocka government. The final decision whether the draft will be discussed during the next meeting of the Sejm, to start on February 4, will be taken by the Sejm Presidium on Friday [29 January].

Sejm Urged To Approve Budget

AU0202112393 Warsaw NOWA EUROPA in Polish 28 Jan 93 p 1

[Editorial: "The Budget Again"]

[Text] The coalition government's defeat in several votes concerning laws linked to the budget has meant that the budget deficit may be about 20 trillion [zloty] higher than planned. The situation is becoming dramatic for many reasons; every way out is a bad one. A higher deficit can only be financed by issuing more money, which will result in inflation being significantly higher than planned. The IMF, with whom an agreement seemed to be within reach, will not accept that.

The 100-trillion deficit might not be financed at all in the same way that insufficient funds were found to finance last year's budget. This is something that is not understood by deputies from opposition parties, who believe that the Sejm can simply instruct the central bank to finance the deficit. It could indeed do that but on condition that it changes the law on the National Bank of Poland, incapacitating it, which would, of course, be a great misfortune.

If the Sejm passes a budget envisaging a deficit that is 20 trillion higher than the one proposed by the government, it would mean proposing a macroeconomic policy that is different from that of the government. The government would then have to implement a policy with which it does not agree and which it does not consider right. If it were to do that, then it would lose credibility. It would be left with only one option—that of resigning. However, the current Sejm would be unable to form another coalition government: the parties that now back a higher budget deficit—the Alliance of the Democratic Left, the Confederation for an Independent Poland, the Polish Peasant Party, the Movement for the Republic, the Center Accord, and the Union of Labor—will not, of course, form a joint government.

The only way in which the 80-trillion deficit can be rescued is for the Sejm to hold another vote on lowering reviews of pensions and benefits as well as wages in the state budget sector. A new vote on these issues could produce a different result if the coalition government mobilizes itself more. The problem is that an attempt at that would postpone the passing of the budget and the Sejm might not manage to do so before 20 February, the deadline envisaged by the budget law. After that date, the president may dissolve parliament or apply pressure on it by threatening to dissolve it. That is a situation that is feared by certain groupings, ones on both the government and the opposition sides.

Government To Unite To Solve Budget Crisis

LD0202121293 Warsaw PAP in English 1145 GMT 2 Feb 93

[Text] Warsaw, Feb. 2—Prime Minister's Press Secretary Zdobyslaw Milewski stated in a Tuesday [2 February] interview for Radio "Eska" that the government will find a solution to the current budgetary crisis. He added, however, that he does not wish to precede facts and will therefore not disclose any details.

Milewski also denied rumours that the coalition would like to combine voting on the budget with a vote of confidence in the government. He said that the coalition is capable of uniting, despite differences, when it comes to the really important matters. A unified concept of the budget is developing in the coalition, he added.

'Polish-German Conflicts' in Opole Viewed

PM0102100193 Opole TRYBUNA OPOLSKA in Polish 21 Jan 93 pp 1, 4

[Statements by Sejm deputies Jan Piatkowski and Henryk Kroll following recent session of Sejm Commission for National and Ethnic Minorities, given to correspondents "ASF" and "WAW"; first paragraph is editorial introduction]

[Text] Press reports from the recent session of the Sejm Commission for National and Ethnic Minorities stressed that the session was dominated by the question of Polish-German conflicts in the Opole region, and that Jan Piatkowski and Henryk Kroll, the two deputies representing our voivodship, took clearly opposing stands in their assessments of the phenomena occurring in the area. After the deputies' return, (Henryk Kroll was absent a bit longer because he went on a visit to Bonn) we asked them to share with us their reflections from the Sejm session and the debate that took place during the session.

[Jan Piatkowski] To begin with, we concluded a debate on the teaching of the national language of individual minorities, which began at the previous session. No objections were raised by the German minority during that earlier session, but this time Henryk Kroll complained that the Ministry of National Education [MEN] had allocated an insufficient number of German teachers to German language schools. The minister of education explained that, because of a shortage of teaching personnel, the ministry had allowed for employing unqualified teachers in the interim period before they are replaced by the new generation of teachers who are currently being trained. The commission approved the ministry's policy.

This took us to the second part of the session in which, as the commission's chairman, I initiated a debate on the problem of certain actions and attitudes of the German minority in Silesia's Opole region. Several commission members had expressed their concern about this matter previously. I discussed several topics relevant to the problem. First, there was the question of the German minority's demand to introduce street and place-name signs in both languages; next, the problem of memorials erected by the German minority with commemorative plaques containing phrases like "To the Fallen Heroes of World Wars I and II"; next, the question of evasion of obligatory military service by members of the German minority. Here I pointed out that no penal court proceedings had taken place in the Opole region in response to these practices, in contrast to the situation prevailing in other regions of Poland. I also talked about the case of a German extreme nationalist organization setting up a cell in the town of Dziewkowice; in addition, I said that it was no accident that the periodical SCHLESIEN REPORT was published in the area inhabited by the German minority. I voiced my reservations about the methods whereby the German minority is funded by the federal government through the agency of the Expellees' Union. Further, I objected to the fact that certain representatives of the German minority refuse to respect the treaty of good-neighbor relations and friendly cooperation between the Polish Republic and the German Federal Republic, in particular Article 22, Paragraph 2, which calls for the minority's loyalty toward the Polish state. At that point Deputy Kroll interrupted the proceedings, claiming that he was particularly offended by my accusation. In reply, I quoted to him a real-life example: "If former Sejm deputy Mr. Brylka, who is one of the top executives in your association, uses a German passport when crossing the border to go abroad, then this must be interpreted as an act of disloyalty. I could give you many more similar examples."

After I concluded my address, Deputy Henryk Kroll, who is one of the commission's deputy chairmen, took the floor and began his speech by attempting to minimize the aforementioned problems, denying that certain events had taken place, and demanding that I quote specific instances to substantiate my allegations. I duly supplied the examples he asked for: The German minority's campaign to introduce dual-language place names is attested to not only by the actions initiated by Dziewkowice's Mayor Wiescholleck; the activities of the DFK [expansion unknown] clubs provide ample evidence of the same drive. For example, the German minority club in Chroscice sports a German-language plaque with the place name Ruthenau. This was the name introduced by Hitler, although the original German name, Hrostwitz, had a predominantly Silesian, Slavonic, character. I believe that if the German minority used the second name, Poles would have fewer objections.

As regards the question of the monuments erected in memory of German soldiers, I was careful to stress that I found the actions of the groups involved in setting up these memorials incomprehensible, because Silesians are normally famous for being scrupulously loyal and law-abiding. As a barrister, I know that a Silesian will not even consider entering into any undertaking without first consulting his lawyer.

At that point Deputy Wierzbicka, who represents Upper Silesia and the national orientation, joined the debate by bringing to its participants' attention the resolution of the Gogolin City Council refusing permission to erect a memorial to the Lwow cadets who took part in the Silesian uprisings. Deputy Kroll denied that any such resolution was ever passed. However, I am in possession of a copy of the resolution document. Deputy Slezak of the Democratic Left Alliance [SLD] also criticized some activities of the German minority, and at the same time accused the state administration of procrastination in the matter of setting up a central body to deal with questions of national minorities. It is true that, although we had stipulated the creation of such an office a long time ago, the Olszewski government did nothing about it while in office; neither—so far—has the Suchocka government made any progress in the matter. The president, whose representative attended the meeting and showed much interest in the issues under discussion, has promised his assistance in setting up such a body. If I do not receive a declaration of the government's position on the matter of creating an office for the national minorities in the near future, I will contact the President's Chancellery and appeal to the president to lend his support to the project.

[Henryk Kroll] We should start by noting that many deputies taking part in the commission's session were extremely upset by what happened during the December session. After that, I took part in many meetings and even one news conference at which I tried to throw light on many of the issues discussed there. Consequently, I was quite surprised to see the subject back on the last session's agenda. I very much regret that it was Deputy Piatkowski, who is my colleague as a deputy representing the Opole region, who brought out a whole catalog of charges concerning matters which, in my opinion, had already been clarified. Thus, the meeting was anything but a standard commission session where we could discuss the items on the agenda calmly and dispassionately. Instead, it developed into a kind of a confrontational clash of opinions. This was because I simply could not ignore the charges brought against myself and the German minority as a whole. It is very painful to me that we are charged with serious crimes on the evidence of isolated instances which, moreover, often have nothing to do with our activities. Such, for example, was the case of the neo-Nazi settlers from Dziewkowice. In fact, it attested more than anything else to the authorities' incompetence, because in a case like that the authorities should have acted quickly and decisively to ban the activities of the German group instead of waiting to blame someone else for its actions. Other accusations were more closely connected with our own activities, for example the charge of introducing dual-language place names. We do not support the idea of introducing Nazi names because some of those have very unfortunate connotations or just sound awful, as is the case of the place name Szczedrzyk (I am deliberately quoting the Polish name only because of that consideration). However, although the whole problem of dual place names should be discussed openly in a wider forum, nothing is being done in that direction. The next problem was that of evasion of military service. Well, I would personally suggest that the statistics for our region should be compared with those for, say, Warsaw's inner city district. However, this is a matter that should be discussed and explained. Unfortunately, our explanations fail to reach listening ears. Another, and very serious, question is the charge that we actually break Polish law. Such charges should be specifically and scrupulously documented. Generalized allegations following isolated examples are quite improper and inadmissible here. Deputy Piatkowski accuses us of disloyalty by citing the single example of Mr. Brylka. Such generalizations should not be extended to the whole minority group. In any case, if you want to look into that particular matter further, the answer is quite obvious: Mr. Brylka has resigned his deputy's mandate. Another point is that similar cases of law infringement often happen not because of deliberate ill will, but because our legislation is imperfectly constructed. On the other hand, it must be clearly stressed that if the Polish-German good-neighbor and cooperation treaty is invoked, then the administration should have a very precise knowledge of its provisions. Unfortunately, the most frequent situation is that they have absolutely no idea of the contents of the treaty. For example, as regards the question of tradition and cultural goods, monuments also represent a part of this land's tradition. However, this matter has been already solved and sorted out, so I hope that it will not boomerang onto the commission's agenda again. And if any isolated controversial cases occur again, then we should be allowed to sort them out quickly within our own community and in our own way.

The accusation brought in by Mrs. Wierzbicka in the matter of the Lwow cadets memorial had been voiced repeatedly before. Let me, then, explain again that the Gogolin City Council offered to name a hospital, a school, or some other public building after the Lwow cadets. In any case, the council has already allocated a plot on which the monument will be built. The only problem is that the monument committee has very little money for the undertaking and is waiting for the council to finance the monument out of its own resources.

If you want to level accusations at people, then you should have sound arguments to back them. Then you can discuss the matter. Unfortunately, we note that matters of this kind usually generate more emotions than sound legal arguments—even when there are perfectly good treaties already in existence on which to draw.

And the last question, that of a central office for national minorities. The government is considering such a possibility, but the consideration is dragging on because of the controversial question of the location of such an office. Should it be "attached," as it were, to the Ministry of Culture or—an option favored by the government—to the Ministry of Internal Affairs? The problem is that neither we nor other national minorities have much faith in the latter. Nevertheless, all the minorities are of the opinion that an office of this kind is indeed very necessary. It could help assuage or defuse many conflicts in the early stages of development, especially in the present tense situation which is noted outside as well as inside Poland. However, we should come back to our original concerns: We are still waiting to see the establishment of the post of the voivoda's plenipotentiary for national minority affairs. Furthermore, firm action should be taken soon to ensure realization of the promises contained in the letters of the minister of foreign affairs appended to the Polish-German treaty of good-neighbor relations and friendly cooperation.

UN Delegate Cites Danger of All-Balkan War

AU2901191293 Bucharest ROMPRES in English 1808 GMT 29 Jan 93

[Text] Bucharest, ROMPRES 29/1/1993—In an open letter addressed to the UN secretary general by Dumitru Mazilu, special UN rapporteur for the human rights, the Romanian official considers that "the reproaches brought to Romania by the U.S. State Department are ungrounded, and the accusations of the French Foreign Ministry that the Danube countries are reportedly trying to find "pretexts not enforce the embargo" lack any foundation." The only measure that Romania and other Danube countries could take to stop the Yugoslav petrol-loaded convoys is the recourse to armed force, which would mean their involvement in the bloody conflict that has seized Yugoslavia, which would entail, the letter says, the extension of the war to the entire Balkan area—a development of utmost gravity for the fate of peace and security in Europe and the world.

Mr. Mazilu is of the opinion that the threats with foreign military intervention in Yugoslavia are not likely to help solve the conflict. On the contrary, they could only amplify it, with disastrous consequences for the entire region, for Europe and for the whole world.

Dumitru Mazilu expresses his belief that the United Nations should do everything in their power to continue diplomatic negotiations and determine a peaceful settlement of the conflict. No matter how difficult they might be, negotiations, not actions of force, should be the only option for the world organization because no effort is too great when it comes to sparing human lives and it is inconceivable that UN could encourage those who act for the destruction of life.

Article Notes Difficulty in Observing UN Embargo

AU3001171293 Bucharest ROMPRES in English 1555 GMT 30 Jan 93

[Text] Bucharest, ROMPRES 30/1/1993—"It was foreseeable that war in Yugoslavia will directly affect us not only economically, taking into consideration the complex networks of trade and production businesses between our two countries, but also politically," writes the director of the daily ADEVARUL in this Saturday's [30 January] editorial. "So now, we the Romanians have gained the role to defuse a bomb on the Danube. 'Instructions' are coming from all over, we are advised, and even encouraged. The political cynicism, as we all know it by now, has no limits.... By mere fate, advises are coming precisely from great powers, which have the military means to set up a real blockade. Moreover, they can impose a cut of the evil precisely from its roots, and make Ukraine observe the resolutions of the Security Council by stopping its oil supply to Yugoslavia. As one can see, the United States, because this is the name of the present superpower of the world, are not favoring the idea of risking their soldiers' lives or to bribe Kravchuk, who is the man on whom the ratification of the treaty on the reduction of nuclear arms concluded with Gorbachev and Yeltsin depends.

"Apparently, Romania's situation is hopeless: either it ignores 'instructions,' which means it will risk its credibility, or it will follow them, and then starts the disaster. And disaster means not only an armed conflict with Yugoslavia, but an inevitable ecological catastrophe, because only an irresponsible person can defy Yugoslavs' threats of blowing up or putting fire on the barges sailing on the Danube, if force is used to stop them.

"There is no reason for doubt, until now, in such circumstances too, like during the Transdniestrian conflict, that we will show the same reluctance and lucid-mindness and not let us involved. On the contrary, worth mentioning is that all political forces in this country are proving their wisdom and responsibility by refraining from starting polemics over foreign policy in such complex a situation. And this was possible not only because all parties' representatives are regularly consulted during meetings at the ministry of foreign affairs, but also because, it was at last understood that foreign policy is a policy of the Romanian state and not one of a party or another," reads the editorial.

Consequences for Production Viewed

AU0202103193 Bucharest ROMPRES in English 0856 GMT 2 Feb 93

[Text] Bucharest, ROMPRES 2/2/1993—Following the embargo imposed over Yugoslavia by the United Nation's Security Council, the Solventul commercial company of Timisoara (a city nearby the border with Yugoslavia) registered serious loss due to its impossibility to deliver products to domestic and foreign contractors.

The embargo stopped the delivery from the Petrochimia Combine in the town of Pacevo (Yugoslavia) of ethylene and propylene through the two 110-km pipes which link the two combines due to a long-term agreement signed by the two countries some 20 years ago. As a consequence, the polyethylene section had been shut down and almost 15 percent of the employees lost their jobs. As for the propylene, serious efforts are made to get some 75 percent of the needs from European markets.

As a result, the company suffered production losses of almost $8 million per month, of which $3 million is exports.

Hungarian Official on Role, Bilateral Talks

AU0102201593 Bucharest TINERETUL LIBER in Romanian 22 Jan 93 p 2

[Interview with Geza Entz, secretary of state and head of the Hungarian Ethnic Minority Department of the Hungarian Government, by Marius Stoian; place and date not given: "The Department That I Lead Supports the Claims of Ethnic Hungarians"]

[Text] [Stoian] I would like to ask you to tell us what is the goal of the department that you lead, whether it has an offensive character or not, and to what extent and with what means are you involved in supporting the ethnic Hungarian minorities?

[Entz] The department that I head is an agency of the Hungarian Government, and the Hungarian Government, as you well know, supports the intentions of ethnic Hungarian minorities as they are formulated by their representative groups. We also support those social institutions that fulfill the needs of ethnic minorities. On the domestic front, we take part in the codification process relating to ethnic minorities, and we do this in correlation with the norms established by the European Community where the principle of self-determination is unanimously accepted. In this respect, we formulate the claims of all groups that represent Hungarian ethnic minorities, including those of the Democratic Union of Hungarians in Romania [UDMR].

[Stoian] Mr. Secretary of State, you attended the UDMR Congress that concluded recently. In this respect, as a direct participant, I would like to ask you to comment on the final results of that congress.

[Entz] I can in no way evaluate the UDMR Congress results because we are duty-bound to accept those decisions that have been made in a democratic way.

[Stoian] You arrived in Romania one day before the UDMR proceedings opened. You met with Romanian officials. What did you discuss during those meetings?

[Entz] I had talks at the [Romanian] Foreign Ministry and at the seat of the government, where I was received by the general secretary of the government, Viorel Hrebenciuc. Certainly, the essence of the issue that we approached was related to the problem of the Hungarian ethnic minority. We expressed the view of the Hungarian Government that we are going to consider the problem of the Hungarian ethnic minority solved when the representatives of minorities are going to be supported with those guarantees that would confer them statutory rights in full agreement with the provisions of the European documents on the issue. I noticed that between us and the Romanian side there could be a partnership relationship, and I hope that 1993 will be a beneficial year from the point of view of bilateral relations.

Foreign Minister Melascanu Views EC Acceptance

AU0102190193 Bucharest ROMANIA LIBERA in Romanian 25 Jan 93 pp 1, 5

[Interview with Foreign Minister Teodor Melescanu by Crina Sirbu; place and date not given: "Things Must Evolve Well at Home in Order To Be Able To 'Sell' a Positive Image Abroad"]

[Text] [Sirbu] Let us concentrate our conversation on one subject, which can briefly be summed up as follows: Romania and Europe.

[Melescanu] From the very beginning, I would like to point out that the goal of Romanian integration in the European structures continues to be a priority. Compared to the previous situation, there is a pretty significant difference, namely that this integration process is devoid now of its former dramatic character. Why? Because the integration process has already been launched and because at NATO—where we participate in the of the North Atlantic Cooperation Council proceedings—Romania enjoys the same status as all East European countries, former members of the Warsaw Pact. We also enjoy the same status at the West European Union, that is, similar to those of the other East European countries. We have already concluded a cooperation agreement with the European Free Trade Association, even ahead of some East European countries. I do not want to mention names because I am not in a polemical mood. Then, as is already known, Nicolae Vacaroiu will sign the agreement on association with the EC in Brussels on 1 February and I will sign an interim accord on the application of the economic provisions of the association agreement ahead of time. Before that, the agreement must first be ratified by the Romanian Parliament and the parliaments of the 12 EC member states.

[Sirbu] This will take some time.

[Melescanu] Yes. Therefore, we will concurrently sign the interim accord, which will start things moving in the realm of economic cooperation. Consequently, one can say that as of 1 February Romania will have the same status as all the other East European countries. In some matters we are probably slightly ahead of them, while in the matter of the association we are slightly behind, since we have had a certain delay. Even here the situation is not that bad: Although I said that I am not in a polemical mood, I would like to recall that the Bulgarians have not yet finalized their negotiations. So, we are not quite the last. We are in pretty good shape. With one exception, which is hard to overlook, which is the Council of Europe. In this respect, our efforts are focusing on preparation of the relevant reports. We are trying to force the issue a little, so to speak, so as to ensure that Romania is admitted with full rights at the spring session of the Parliamentary Assembly. Why? Not for reasons of prestige; not even out of a desire of legitimacy, but because our government is quite legitimate. Of course, one may argue about its merits, but the situation in no longer as it was two or three years ago when legitimacy was an extremely important matter for us. This is simply something that pertains to a kind of equal treatment that we would like to see acknowledged for us too, particularly since we believe that we meet all the necessary performance criteria. Therefore, it is a question of overcoming this image that we currently have.

[Sirbu] What are the difficulties?

[Melescanu] We believe that we basically meet all the criteria required by the Council or Europe or, how shall I put it, we have good reasons to claim that, compared to the situations of others. We believe that we suffer because of a certain image, the image problem everyone is talking about.

[Sirbu] Rightly or wrongly so?

[Melescanu] Rightly so. The image problem exists, but let me elaborate a bit. Romania's image consists of two important parts. One is the true situation in our country, and the other is the way in which we project this situation and the way it is perceived by others. If, with regard to the second part, the Foreign Ministry can be seriously criticized, we are certainly not to blame for the first part; that is, the commodity must also be good and things must evolve well at home in order to be able to 'sell' a positive image abroad. Therefore, we want to overcome this situation. There is another element, also not without significance, namely that a very important meeting of the Council of Europe will be held next fall, at the heads of state level, to discuss security and cooperation on the continent. It would be good if we were participating in that meeting with the same status as all the others and not in our current capacity.

[Sirbu] How long can these procedures last? It is hard to say. The association agreement lasts, for practical purposes, for 10 years. In our experience, the ratification may last one to two years. Our efforts concerning the economy may take a very long time before we can truly enjoy the facilities offered by the EC. As for the Council of Europe, the situation is similar: Our entrance is only a beginning, as it automatically implies the obligation to sign the European Human Rights Convention, for example. It also means the acceptance of other very serious mechanisms, which function very well, something that requires substantial effort on our behalf to implement the European legislation in Romania. It will take enormous effort to try to introduce these European standards into our everyday lives. Let me sum it all up. Formally, we are making good progress, since we have the opportunity to reach the same statusas all the other East European countries by next spring. Nevertheless, we are starting later than the others, therefore the difficult part is just ahead of us. We must be aware of that. Of course, enthusiasm at home will decrease quite a lot after admission, and there will surely be very many obligations for us to undertake. It is important for all of us to realize that if we do not make these efforts, the whole thing is something superficial that will have no real impact at all. Anyhow, integration into the European structures has a second and infinitely more difficult and complicated stage.

[Sirbu] The stage of proving that we are truly Europeans?

[Melescanu] Exactly.

Agreement Seen as 'Historic'

AU0202103093 Bucharest ROMPRES in English 0818 GMT 2 Feb 93

[Text] Bucharest, ROMPRES 2/2/1993—Foreign Minister Teodor Melescanu told a news conference that "probably, at the time being, we can not estimate the whole significance for Romania of the agreement of association to the European Communities, an act I dare consider as historic.

"The agreement will surely bear a long lasting influence on Romania's future, in political, economic, even social matters," stated the minister. Commenting on the significance of the agreement, Teodor Melescanu further said that the association to the European Communities "solves one of the fundamental problems of Romania—that concerning the basic directions and alliances. From now on, I believe, any such discussion becomes pointless. By signing this document, Romania made, from a political viewpoint, a very clear, unambiguous choice."

Vacaroiu, Melescanu Leave for Brussels

AU0102113093 Bucharest ROMPRES in English 1007 GMT 1 Feb 93

[Text] Bucharest, ROMPRES 1/2/1993—Romanian Prime Minister Nicolae Vacaroiu left for Brussels on the morning of February 1. As the head of a delegation, he will sign the agreement for Romania's association to the European Communities (the European Economic Community, the European Coal and Steel Community, and the European Atomic Energy Community - EURATOM). The prime minister is accompanied by Foreign Minister Teodor Melescanu and other officials.

Negotiations on the association have begun last May, just as Bulgaria's, and it took five rounds of meetings claiming both sides' concessions. The agreement is not only on trade grounds, but it virtually emancipates Romania, for good, from the former sphere of influence. Under this document, Romania should share the same European values.

Premier Nicolae Vacaroiu told the press before taking off the Bucharest Otopeni airport that "the agreement of association is unquestionably an important step toward Romania's integration in the political and economic European structures. It also means a lot for Romania," he said, adding that "Romania has to mark substantive progress in the consolidation of democracy, in reform and privatization, which is a specific term of the agreement.

"The importance for Romania of the signing of the documents can hardly be assessed right now" told the press at the Bucharest Otopeni airport Foreign Minister Teodor Melescanu. "It is about a fundamental action not only at a political level, expressed in the signing of an international document, but also about Romania's fundamental option for integration in the West European structures. I think in this respect that the agreement of association marks an extremely important point the value of which, I say it again, is very hard to assess for the Romanian society now."

The Romanian chief diplomat said that while in Brussels, Prime Minister Nicolae Vacaroiu would also have bilateral contacts with the Belgian authorities, with businessmen, and, maybe, with some representatives of the Romanian diaspora.

Meet Belgian Senate President

AU0102191093 Bucharest ROMPRES in English 1857 GMT 1 Feb 93

[Text] Brussels, ROMPRES 1/2/1993—Romania's Prime Minister Nicolae Vacaroiu and the members of the Romanian official delegation met, at the seat of the Belgian Senate, with Franck Swaelen, president.

Hosts and guests discussed the relations between the two countries, with emphasis on the cooperation between their parliaments, the tradition of which was duly recalled. Both sides pronounced for more intensive and wider exchanges and contacts between parliaments in Brussels and Bucharest in support for closer ties between the two nations and for the promotion of friendship and cooperation links in tune with the new European political climate.

Minority Rights Discussed at European Parliament

AU0202133493 Bucharest ROMPRES in English 1110 GMT 2 Feb 93

[Text] Bucharest, ROMPRES 2/2/1993—Stressing in the Parliamentary Assembly of the Council of Europe that minorities were not only a source of difficulties but also one "of spiritual wealth for the states," Romanian delegate Adrian Severin showed that minorities should not remain isolated in the midst of the peoples they live with. In the actual application of the minorities' rights what he termed as "psychological obstacles" should be realistically approached, he opined.

The Romanian parliamentarian assessed that the Protocol on Minorities' Rights under debate should not [word indistinct] to be promoted step by step, pragmatically and in a spirit of equilibrium. "As far as Romania is concerned," Severin said, "it does not find it difficult at all to accept the text of the protocol, considering that, under the Constitution, the minorities in Romania have already got more than provided for in the document presented in Strasbourg. Besides," he went on, "there are reserves as regards the existence of the ethnic parties, but they are more than real in Romania." In conclusion, Severin said "we consider that everything that is good for Europe is good for Romania as well, and also the other way round."

On the same item, Hungarian Democratic Union of Romania representative G. Frunda presented the text of his address to the secretariat of the assembly. He assessed in behalf of his party that the debated protocol was "extremely important" because it was about the rights of a minority counting "almost two million members." Frunda also showed in his address that "it is only the endorsement of this protocol that will make possible the use of only one and efficient system of protection for the national minorities and their members."

Press Comments on Political Dispute in Moldova

AU0102144293 Bucharest ROMPRES in English 1131 GMT 1 Feb 93

[Text] Bucharest, ROMPRES 1/2/1993—"The Republic of Moldova at Crossroads" is the headline in daily CURIERUL NATIONAL of an article referring to the tense situation created in Moldova between the Prut and the Dniester by the resignation of Moldovan Parliament Chairman Alexandru Mosanu and of other leading members of the legislative forum. "It is precisely those who had won on January 20, 1993, through the rejection in Parliament of the planned referendum envisaged by the nostalgics of the totalitarian empire, that withdrew."

"President Mircea Snegur's Inability To Lead the Country Becomes Ever More Conspicuous" writes EVENIMENTUL ZILEI in a headline. The words are quoted from a memoir addressed to the president of the Republic of Moldova by 50 deputies belonging to the Christian Democratic People's Front and the parliamentary group of the democrats. The document reads: "The process of reinstatement in the Republic of Moldova of the totalitarian regime or of triggering off irreversible chaotic processes is more real today than ever. The defiance by the chief of the executive power of the decree on the power in state, the usurpation of many mass media, the permanent application of the Bolshevik methods to divert the people's attention from the stringent issues of society, and the intolerance for the freedom of speech and option are as many real signals of this process."

Daily ADEVARUL quotes the inaugural address to the second congress of the Limba Noastra (Our Language) Society, made by the society's chairman Nicolae Dabija who said that "Romano-phobia is conspicuous in the state policy" and that after 1989 as many as 2,100 families settled in the Republic of Moldova, but only 112 of them were Romanian families. So, ADEVARUL comments, "after more than 50 years of Soviet power, that improved and accomplished a process forcefully started in the second decade of last century, the policy of Russification continues successfully in Bessarabia."

Iliescu, Others Discuss Revolution Investigations

AU0202100493 Bucharest ROMPRES in English 0800 GMT 2 Feb 93

[Text] Bucharest, ROMPRES 2/2/1993—Ion Iliescu, Romania's president, had a meeting on February 1 with the minister of national defence, the minister of the interior, the minister of justice, the prosecutor-general, the director of the Romanian Intelligence Service and the deputy director of the Foreign Intelligence Service, during which they surveyed the stage of investigations and inquiries of so far regarding the causes of and culprits for the victims of the December 1989 events both in the capital and in other localities in Romania.

It appeared from the accounts presented that although a lot of work had been done the researches were not completed yet and a closer and more efficient collaboration was needed among the institutions possessed of information and data, as well as a more concrete support to the procurator-general's office.

Also, the Romanian president urged all citizens possessed of documented information that might help in the investigations and the identification of the culprits to pass it to the procurator-general's office.

Accounts were presented in the same meeting on the phenomena of corruption and the steps taken by the bodies empowered to investigate and punish in compliance with the legislation in force this category of antisocial deeds that have mushroomed, seriously affecting the public property and the population's interests.

Coposu Criticizes Cabinet's 'Immobilism'

AU0102121893 Bucharest ROMANIA LIBERA in Romanian 25 Jan 93 p 3

[Interview with Corneliu Coposu, president of the National Peasant Christian Democratic Party, by Roxana Iordache; place and date not given: "Mr. Corneliu Coposu: 'I Hope the Vacaroiu Program Will Be Ready Before the Government Is Changed'"]

[Text]**Reconciliation is Noticeable in the Reinstallation of Certain Compromised Figures in Leading Positions**

[Iordache] Mr. President, how do you characterize the current political moment?

[Coposu] We are struggling in a situation of governmental immobilism. It seems that the political power is exclusively preoccupied with taking over all positions in the administration and in the key industrial and trade institutions. It also tries to place its elected members in responsible positions, so as to control all public activity branches, all the while paying less attention to key concerns that should be the main topic of the governmental activity. At the same time, no attempt is being made to work out and implement urgent economic laws required by the economic impasse. It looks like the electoral campaign is continuing, because the subjective, demagogic, and populist practices used have an obviously diversionist goal, namely to divert the public's attention from the true evils facing today's society and to look for scapegoats, by putting the blame on people who have nothing to do with the current political power. There was much talk during the electoral campaign about solving the crisis. Well, one can see no measure capable of bringing about an improvement. There was talk about a solution to the unemployment problem. Now, we can see that unemployment has exceeded the 1 million level. There was talk about national reconciliation. It seems that this reconciliation is noticeable in the reinstallation of certain compromised figures or people guilty of the country's disaster in the leadership of institutions. There was talk about an efficient economic solution. Instead, we woke up with boutiques selling cheap products from the West. On the other hand, only a minimal number of productive enterprises were privatized. In the past three months, the government did not even manage to present a crisis program. The justification put forward for this immobilism is simply infantile: They claim that the government did not have the necessary time to prepare its crisis program. But let us remember that this crisis is not something recent. The governments that succeeded each other had three years to try to halt the crisis and start a recovery process. But the government operates with the same people who also ran our public affairs in Ceausescu's time. The opposition has not obstructed the Vacaroiu government in any way, waiting for the implementation of its program, which actually does not exist. I hope that the program is ready before the government is changed.

[Iordache] Given the fact that the Vacaroiu government has no program, why do you think that it refuses the Democratic Convention's [CDR] offer regarding a program for the country's recovery?

[Coposu] The CDR platform-program was appreciated as valid, therefore I do not understand why the Vacaroiu government does not accept this program. I believe that the main impediment is that the government is totally devoid of initiative. My impression is that not even a clerk of the court or of the financial guard can be appointed without the approval of President Iliescu, whose interference in government affairs is obvious.

I Will Challenge the President!

[Iordache] Do you still intend to sue President Iliescu if he does not publicly apologize for the accusation that the most- favored-nation [MFN] status was allegedly not granted to us because of a hypothetical document signed by you?

[Coposu] Mr. Iliescu used a specifically communist method to search for guilty parties elsewhere, rather than have the courage and honesty to assume responsibility for certain mistakes and for government errors that have led to the collapse of Romania's image in the world. Mr. Iliescu said that he has a document signed by me, in which I recommend that the MFN status should not be granted to us. This is a slander. There is no such document signed by me or by another CDR representative. On the contrary, the CDR made steady efforts to obtain MFN status, clearly distinguishing between the government's incompetence and the interests of the Romanian people, who are obliged to support the consequences of governmental mistakes. As a matter of fact, even the statements made in our country by certain authorized representatives of the U.S. Government prove the CDR's attitude in favor of the MFN status. When I receive the minutes of the talks I had with Secretary of State Lawrence Eagleburger and the confirmation of the respective U.S. spokesmen about my talk with them on the matter of the MFN status, I will challenge President Iliescu to make an honorable retraction and correction. If he does not do it, then I will avail myself of the absolutely normal measures of punishing such an inadmissible slander, which undoubtedly had the noxious intention of misleading public opinion and passing his own and his various governments' mistakes onto the opposition.

There Is a Need for a Strong Liberal Party

[Iordache] What is your opinion about the new dissensions within the liberal parties, which are blocking the unification process, or at least causing it to stagnate?

[Coposu] In my opinion, the existence of a strong liberal party is indispensable for Romanian politics and for the spectrum of political parties that should present an alternative solution in the future. I believe that, in the last instance, there will be an alliance among all liberal groupings. The solution for the setting up of a strong liberal party is the withdrawal of all leaders driven by personal ego and ambitions from the leadership of various factions and the convening of a congress of all liberal parties, which should democratically elect a united leadership by secret vote. I am convinced that liberalism as a government concept has not died and that it has a role to play in Romania's future political life.

The Democratic Union of Hungarians in Romania [UDMR]—A Civilized Congress

[Iordache] As the testamentary executor of Iuliu Maniu, the founder of Greater Romania, how do you assess the UDMR Congress proceedings?

[Coposu] The congress disproved the bogus scares noxiously launched to divide the public and incite interethnic confrontations. In my opinion, the discussions in the Hungarians' congress were very civilized and illuminating, and the new UDMR leadership seems made up of moderate and wise people, who, I believe, will promote a policy of harmony and cooperation with the majority population and the authorities in our country.

Expects Government To Fall by Spring

AU0202095993 Bucharest CURIERUL NATIONAL in Romanian 25 Jan 93 p 1

[Unattributed report on statements by Corneliu Coposu, president of the National Peasant Christian Democratic Party: "The Government Will Survive Only Until March"]

[Text] Mr. Corneliu Coposu [president of the National Peasant Christian Democratic Party] has agreed to comment on the statement he issued this week in which he said that "the current government's chances of survival are reduced and after March we will be faced with the problem of forming a new cabinet." He expressed his belief that the government is not succeeding in obtaining any kind of foreign investments and has not been able to reestablish links with foreign financial institutions. "Not having credibility externally, being very uncertain, and lacking stability domestically, it will not be able to resist the pressure of the people's dissatisfaction, which will simply increase when the poverty threshold, which can no longer be controlled, falls, when inflation and the shortage of basic consumer goods increases, and perhaps when the number of strikes increases," Mr. Coposu said. The political leader of the National Peasant Party said that up to now, such manifestations have been restrained by the opposition, on the basis of the pledge made to help the government to overcome the economic, moral, and social deadlock that the country is now facing. "The understanding has been breached," Mr. Coposu said "by President Iliescu, who, through a provocative action, demonstrated that he is not interested in our attitude. Then it was time for us to respond, because we could not let calumny prevail," Mr. Coposu continued. He added that at the time the Vacaroiu cabinet was set up, the opposition groups assured it of support in his investiture and in implementing certain projects to overcome the crisis. However, according to Mr. Coposu, the government "preferred to turn to the extremist parties to ensure a majority for itself." Talking on his own behalf, Mr. Coposu said in conclusion: "Because of the rather somber prospects, the people's dissatisfaction, and the complete inability of the government to overcome the crisis, my impression is that it will not survive longer than March. However, I could be wrong, as one is currently guided only by impressions and is not motivated by any particular program."

Government Condemns Published 'False Information'

AU3001203793 Bucharest Radio Romania Network in Romanian 1800 GMT 30 Jan 93

[Text] The Press Office of the Romanian Government faxed us the following: Considering the fact that a series of false information was published in the press in recent days—information presented as coming from government sources—the government spokesman is empowered to make the following statement:

The affirmation attributed to the minister of labor and social protection, according to which the taxation of pensions is being pursued, is incorrect. The government has not discussed and does not plan to undertake such a measure. As a mater of fact, during the news conference of the minister of labor and social protection, as far as the program of the government in this area is concerned, it was stressed that on the contrary, in Romania, unlike in other countries, pensions do not come under taxation.

The affirmation that the National Railways Society intends to lay off 33 percent of its personnel as a result of a study on increasing profitability is not in accordance with reality. The news is disproved by the minister of transportation, who said that all the elements included in that piece of news are inexact.

Likewise, the information according to which, through reorganization of ministries and of the government apparatus, the number of secretaries and undersecretaries of state has doubled, is also false. In this process of reorganization, the number of secretaries and undersecretaries of state did not increase. To grant exact information to the public, the figures compared with previous governments will be published.

The government's General Secretariat informed us that the news that Mr. Mircea Hamza was appointed to office as press counselor of the government is also false. We mention that the practice of publishing news without checking it with the source leads to the misinformation of the public, to the unjustified deterioration of the credibility of professional journalists, and to the distortion of the government message.

In accordance with the declared principles of openness regarding the actions of the government, which is currently engaged in the process of the reform and economic restructuring, we reassert our willingness to offer promptly correct information to the press and offer our assistance if additional explanations directly from the source are necessary. This concludes the message sent to us by the Government's Press Office.

FDSN Supports Admittance to Council of Europe

AU3001171493 Bucharest ROMPRES in English 1321 GMT 30 Jan 93

[Text] Bucharest, ROMPRES, 30/1/1993—"The Democratic National Salvation Front [FDSN] and its parliamentary groups in the two chambers are considering justified Romania's undelayed admittance, with full rights, within the Council of Europe. This admittance would represent a support for furthering the process of democratization and for national efforts regarding domestic life, and would contribute to achieve the desiderata of collaboration and peace of the peoples on the European continent," shows a statement released by the Democratic National Salvation Front.

PNTCD Requests Admittance

AU3001171393 Bucharest ROMPRES in English 1435 GMT 30 Jan 93

[Text] Bucharest, ROMPRES, 30/1/1993—"The Christian Democratic National Peasant Party" [PNTCD], shows a statement of that party released for the press in Bucharest, "is convinced that the process of setting up in Romania true democratic structures would be extensively supported by the admittance of Romania into European institutions. Our will is firm and we will assist the observance of the new laws in a democratic way and make irreversible the process of democratization.

"The refusal to admit our country into the Council of Europe as member with full rights would bear serious consequences. It would generate and feed extremism and encourage tendencies to reinstate communism. It would also not serve Romania or East Europe, or Europe in general.

"As a consequence, we are asking the European Council to consider our request in a realistic manner, and take into consideration the present, as well as the future developments in the area," shows the statement of the National Peasant Party.

Nastase Seen as Subject of Conflict Within FDSN

AU0202092393 Bucharest AZI in Romanian 26 Jan 93 p 3

[Article by Dan Mihalache: "The FDSN Without Nastase?"]

[Text] The conflict between the government party's "conservatives" and "reformers," which has so far been dormant, is tending to sharpen. According to information from sources close to the Democratic National Salvation Front [FDSN], Messrs. Vasile Vacaru and Ioan Solcanu, who control the party at the moment, are preparing to put Mr. Adrian Nastase on the shelf. During the plenary meeting of the FDSN National Council in February, they would like to have Mr. Nastase elected vice president responsible for foreign relations issues, which would mean to shoving him into the background.

On the other hand, according to the same source, in circles close to Cotroceni, the election of the former foreign minister to the position of first vice president of the FDSN is being pursued so that in a few months he can take over the party presidency from Senator Oliviu Gherman, who is growing weary.

We remind readers that a couple of months ago the appointment of the current president of the Assembly of Deputies [Nastase] to the FDSN leadership drew protests from the former members of the Group for the Unity of the Front, which later developed into the current party. Mr. Nastase is accused by several sides of having joined the presidential group too late and of being too close to the "A Future for Romania" group.

Mining Production Increases; Domestic Cost Higher

AU0202103493 Bucharest ROMPRES in English 0904 GMT 2 Feb 93

[Text] Bucharest, ROMPRES 2/2/1993—Mining in Romania is done in 46 mines, 111 open-cut pits and 57 dressing installations for useful mineral substance. Geology is run by a public corporation and 16 commercial companies.

As compared with the 1991 performance, the mining sector reported the following production rises in 1992: 18.4 percent with net coal, 20 percent with lignite, 6.9

percent with net pit coal, 6.6 percent with steam pit coal, 7.8 with coking coal, 20.2 with gold, etc. Mining is being revigorated.

The known deposits are worth $1,200 billion, which means a big reserve for the national economy.

The financing of the mining sector allows only for maintaining the units and not for their development. The several billions lei earmarked to investment are not enough to cover the cost of opening new extraction units. However, the mining sector supplied a coal stock of six million tonnes to the thermoelectric power stations on November 1, 1992. Coal deliveries have stood lately at between 110,000 and 140,000 tonnes a day, which ensures the safe operation of the national electric power grid.

Mining sector is not remunerative because the domestic costs are far higher than those in the external markets with extraction products: Raw pit coal, for instance, costs $28 at home as compared with $24 in the world market, with zinc concentrates the cost is $1,209 at home as compared with 1,020 dollars, etc. Such products needed state subsidies which are however expected to drop in 1993.

Labor Ministry Reports 949,842 Unemployed

AU0202104793 Bucharest ROMPRES in English 1003 GMT 2 Feb 93

[Text] Bucharest, ROMPRES 2/2/1993—There were 949,842 (567,857 women included) unemployed, resulting in 8.5 percent of the active workforce.

According to Social Protection Ministry's records 857,367 receive assistance at workforce offices. A number of 139,832 people were count out of the records by means of employing, canceling and other reasons. At the same time, there were 3,378 job offers.

The Labour and Social Protection Ministry announced that 149,800 people were not taken into account on the unemployment rate because of expiry of the period of unemployed benefit and of failure to apply for subsistence allowance, or of failure to claim to be registered for a job.

Silajdzic To Represent Bosnia at UN Meeting

AU0202084793 Paris AFP in English 0825 GMT 2 Feb 93

[Text] Sarajevo, Feb 2 (AFP)—President Alija Itzetbegovic of Bosnia-Hercegovina says he will not be going to New York, but will let his foreign minister present his country's case to the United Nations instead.

Izetbegovic, in a press conference with local journalists, said Foreign Minister Haris Silajdzic could explain at the Security Council the reasons for his government's rejection of the Geneva plan, which would divide the country into 10 semi-autonomous provinces, and of military disengagement plans.

The Security Council is to meet to consider the situation in Bosnia-Hercegovina, where the mainly Moslem Bosnian army is fighting a civil war against Serb militias, and has also been fighting Croat militias, following the collapse of peace talks in Geneva.

The U.N.'s options appear to be strengthening sanctions against Serbia, relaxing a ban on arms supplies for all parties to allow the vastly outgunned Bosnian army to acquire heavy weapons, and strengthening the role of the U.N. Protection Force here. Its mission is to protect relief convoys, but the U.N. troops—and the convoys—come under constant fire, and the troops' mandate prevents any aggressive action to protect the convoys.

The possibility that the United Nations will authorize the use of outside military force against the Serbs in considered remote, though this is the option many Sarajevans would apparently prefer.

"Our destiny will be solved here," said Izetbegovic, speaking from the downtown presidency, outside of which four people were killed by a Serb shell on Saturday [30 January].

"It is necessary for us to be here. I'm afraid we're paying too much attention to what the world thinks about us and neglecting to solve problems here."

A group of Sarajevo citizens meanwhile issued a statement urging the United Nations and the United States to refuse admittance to Bosnian Serb leader Radovan Karadzic, whom Washington has branded a war criminal.

Accusing the former psychiatrist of responsibility for the deaths of more than 120,000 people, and describing him as a "mad psychopath," the statement said he should be admitted to the United States only for trial.

Sarajevo meanwhile was quiet overnight, with little shelling from surrounding Serb gunners.

Sarajevo radio reported some action along the Drina River separating Bosnia-Hercegovina from Serbia, but said most of the country was quiet.

A cease-fire in central Bosnia-Hercegovina between Bosnian army and Croat forces which came into effect Sunday appeared to be holding.

EC Expresses Support for Geneva Peace Plan

AU0102192293 Paris AFP in English 1921 GMT 1 Feb 93

[Text] Brussels, Feb 1 (AFP)—The European Community expressed its strong support Monday [1 February] for a peace plan to end the war in Bosnia-Hercegovina prepared by the international peace conference on Yugoslavia in Geneva.

EC foreign ministers meeting here called on all sides in the Bosnian conflict, as well as the UN Security Council, to accept the plan.

They said in a statement that the plan represented "a coherent and comprehensive settlement, taking into account the legitimate interests" of the Serb, Croat and Muslim communities in Bosnia.

The ministers said the EC was ready to help carry out the plan, and to help Bosnia recover from its civil war.

French Foreign Minister Roland Dumas proposed that vessels of the Western European Union, an EC defence alliance, should patrol the Black Sea and the mouth of the Danube River to stop sanctions-busting oil getting through to Serbia.

He also urged a strengthening of UN troops in Croatia, and said he had asked a commission of French jurists to report on how an international court could try war criminals in the Yugoslav conflict.

Earlier, Bosnian Foreign Minister Haris Silajdzic arrived here for a meeting with EC Commissioner for Foreign Relations Hans Van den Broek.

An EC official said Silajdzic had expressed Bosnian demands for a cease-fire and the withdrawal of Serb heavy weapons.

He also objected to the "wholesale abandonment" of Bosnian land to Serbs under the peace plan drawn up by mediators Cyrus Vance and David Owen.

Serbs Seek To Demilitarize Sarajevo

AU0102191693 Paris AFP in English 1913 GMT 1 Feb 93

[Text] Paris, Feb 1 (AFP)—The self-proclaimed Serb Republic of Bosnia-Hercegovina has offered to demilitarize Sarajevo and its suburbs, a French senator visiting the former Yugoslavia said in a telephone interview Monday [1 February].

Conservative Senator Gerard Larche, who is in Belgrade with a three-man delegation from the independent

French human rights association Observatoire des Libertes, said the Serbs had asked him to relay their offer Tuesday to French Foreign Minister Roland Dumas.

A visiting British member of parliament, who was not named, would relay the same offer to Prime Minister John Major, and Serbian officials would formally bring their proposition before U.N. Secretary-General Butrus Butrus-Ghali in New York on Wednesday, Larche said.

Larche also said he and his colleagues had negotiated the release of 106 Bosnian Moslem prisoners under Serbian detention in Bosnia-Hercegovina.

He said the agreement for the prisoners' release had been reached between officials of the Serb Republic of Bosnia-Hercegovina and a three-man delegation from the human rights group.

The French delegation, made up of Larche and attorneys Jean-Pierre Marchi and Etienne Tarride, visited the Kula Butmir and Vogosca prisons near Sarajevo, where a total 200 Bosnians are being held, on Saturday and Sunday, the senator said.

He said the prisoners would be freed on Thursday and placed under French control, but did not say whether they would be brought to France.

Army Commander Bans Cooperation With Croats

LD0102212593 Zagreb HTV Television in Serbo-Croatian 1830 GMT 1 Feb 93

[Text] An order issued by Sefer Halilovic, chief of the general staff of the Bosnia-Hercegovina Army, proves how much the Muslim leadership cares for cooperation with the Croatians. He has proclaimed as traitors all those Muslims who cooperate with the Croatian community of Herceg-Bosnia. The document says:

[Unidentified correspondent] According to our findings, certain cadres of the Republic of Bosnia-Hercegovina, its Ministry of Internal Affairs, and government on the territory of Jablanica, Konjic, Pazarici, and probably other places in the zone of our responsibility, have completely devoted themselves to the realization of the greater Croatian policy through the complete implementation of tasks given to them by leaders of the Croatian Community of Herceg-Bosnia, which directly influences the disintegration of our struggle for a single and democratic Republic of Bosnia-Hercegovina, and directly and indirectly confuses a section of our members.

In order to gain an overview of the comprehensive situation and to take measures in a planned way, I am ordering:

First, go to Mount Igman as soon as possible and have talks with Commander Dzevad Radza, Ali-Pasa Zulfikar, and others. All other possible sources should be involved in order to gain an urgent overview of the comprehensive situation and establish the truth, because the truth is the only criterion here.

Third [as heard], the problem should be comprehensively examined, and you should immediately solve what falls within your responsibility. Propose which and of what nature cadre changes are necessary to be carried out by the Bosnia-Hercegovina Armed Forces Supreme Command, the Ministry of Internal Affairs, or the Presidency of Bosnia-Hercegovina, or probably by a party.

Fourth, if need be, propose special measures of prosecution or, if necessary, make a plan of action, for which we are going to assign forces and equipment in a timely fashion.

Fifth, check whether similar things have been happening in other places.

[Signed] Sefer Halilovic, chief of the general staff of the Bosnia-Hercegovina Armed Forces.

[Announcer] Is it by accident that Sefer Halilovic issued this order on the same day that Alija Izetbegovic sent a letter to Dr. Franjo Tudjman?

Muslims, Croats Agree on Cease-Fire

LD0102202393 Zagreb HTV Television in Serbo-Croatian 1830 GMT 1 Feb 93

[Text] Just before the newscast we received a phone report from the Busovaca main headquarters of the Croatian Defense Council [HVO] that representatives of the HVO and the Muslims' army—through the mediation of UN Protection Force General Morillon—have agreed upon the following in Vitez:

First, the 1st and 3d Corps of the Muslim army are to withdraw to their areas of stationing prior to the clashes, that is, they are to go back to their barracks. The deadline is 1200 tomorrow.

Second, it has been agreed to observe the cease-fire absolutely and to establish a truce.

Third, it has been agreed to open roads for traffic by 1600 tomorrow.

Fourth, it has been agreed that the UN British battalion will set up checkpoints in the villages of Kacun and Klokota in order to secure uninterrupted traffic on the Busovaca-Kiseljak road. Apart from this, electricity and telephone installations are to be restarted by 1600 tomorrow.

Fifth, it has been agreed to exchange prisoners on the basis of the principle of all-for-all by Wednesday [3 February]. It also has been agreed to continue efforts to ease tensions.

It has been a quiet day in central Bosnia today. The cease-fire has been observed throughout the day.

Croat, Bosnian, UN Commanders Discuss Conflict

LD0102191993 Zagreb Radio Croatia Network in Serbo-Croatian 1800 GMT 1 Feb 93

[Text] Colonel Tihomir Blaskic, commander of the Croat Defense Council [HVO] operative zone for central Bosnia, and Col. Enver Hadziosmanovic, commander of the III Corps of the Bosnia-Hercegovina Army, met at the UN Protection Force [UNPROFOR] British battalion base near Vitez today. The meeting was mediated by General Phillipe Morillon, the UNPROFOR commander for Bosnia-Hercegovina.

Following the meeting, Gen. Morillon said that the talks were leading toward the resolution of the conflicts. All units must be in their barracks by 1200 tomorrow. All roads to Zenica, Kiseljak, and Visko will be unblocked, for which the present commanders will be held accountable. The checkpoints in Kacuni and Klokoti will be handed over to the British battalion, Gen. Morillon said.

Col. Blaskic, commander of the HVO operative zone for Central bosnia, thanked Gen. Morillon for his mediation, and stressed that a joint Croatian-Muslim commission will establish the true state of affairs. He noted that the HVO will meet obligations punctually.

Col. Hadziosmanovic praised the good work of the joint commission, and voiced the conviction that clashes would die down.

Izetbegovic Says Bosnia Needs Armaments

AU0102211693 Munich FOCUS in German 1 Feb 93 p 131

[Report by Rosemarie Bohle: "We Need Arms"]

[Text] Relaxed and wide awake after a long, tiring day of negotiations in Geneva, Bosnia's President Alija Izetbegovic, 67, begins to enthuse. He speaks about his children, his grandchildren, of everything but the war. The Muslim sees that he, the jurist, is now participating in deciding about war or peace in his country rather as a matter of fate than a matter of will: "We must accept the preordained milestones."

About the war he says: "I could never forget the rapes of our women. Tragically, the victims feel responsible. They deserve our respect." About Bosnia he says: "I do not know whether there is really only one Bosnia, whether it will be possible for today's Bosnia to remain in existence after the war." He is certain about one thing: "We do not need any UN soldiers, we need arms. We should have the opportunity to defend ourselves." He is also firm in his belief: For his "Islamic Declaration," which he wrote in 1976, Alija Izetbegovic was put into prison in 1983. He had advocated an Islamic society.

Karadzic Blames Communists, West for War

AU0102211293 Munich FOCUS in German 1 Feb 93 pp 130-131

[Report by Rosemarie Bohle: "No Matter of Feelings"]

[Text] "Believe me, the war has nothing to do with my personal feelings." Psychiatrist and poet Radovan Karadzic, 47, seems to be tired of the war. Nervously, he plays with his fingernails. The United States has put the Serbian leader on the list of war criminals in Bosnia-Hercegovina. He is considered responsible for the ethnic cleansing and the mass rapes. He could not sound more honest when the says that he hopes for a solution in Geneva: not only for the sake of the Serbian cause but also for himself and for his wife. "Who knows, perhaps we will even found our own small hospital."

It is always the others who are fanatics: "The Croats seem like fascists. The Muslim leadership is fundamentalist." He himself is moderate: "The normal Serb is much more radical than I am. He will tell you that he does not want Bosnia." The communists are to be blamed: "They crammed us together." The western politicians are responsible: "We are seriously taking into consideration to bring people like Genscher [former German foreign minister], Baker, Mock [Austrian foreign minister], and Eagleburger to the planned international court of justice."

Military Council: Army Having More Success

LD0202035093 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 2300 GMT 1 Feb 93

[Text] A meeting of the Military Council of the Supreme Command of the Armed Forces of the Republic of Bosnia-Hercegovina was held under the chairmanship of Bosnian President Alija Izetbegovic today. The council considered the current military situation and problems in connection with the building of the Armed Forces of the Republic of Bosnia-Hercegovina. It has been concluded that, despite numerous difficulties facing defenders of Bosnia-Hercegovina, they have been increasingly successful in opposing the aggressors' attacks. Our armed forces are becoming an increasingly respectable army force; our fighters have high morale, but, unfortunately, they lack many material and technical means, which the aggressor has. The council has been regularly informing the Presidency and the Government of the Republic of Bosnia-Hercegovina about its work.

Muslim-Croat Attacks Reportedly Continuing

LD0102175993 Belgrade TANJUG in English 1735 GMT 1 Feb 93

[Text] Banja Luka, February 1 (TANJUG)—Moslem-Croat forces continued on Monday [1 February] heavy artillery-infantry attacks on the Serb positions around the town of Brcko in the northeast of the war-ravaged former Yugoslav Republic of Bosnia-Hercegovina, Bosnian Serb military sources stated. Moslem-Croat artillery attacked the suburbs of the Serb controlled Brcko and the nearby villages. Serb units repelled a major Moslem infantry attack from two nearby villages on Sunday night.

The battle front near Doboj—Serb town in northern Bosnia—was much quieter on Monday than in the previous days. However, Moslem units were reported to be moving from Gracanica which indicates that the Moslems are preparing a new offensive in the area.

Moslem forces on Monday continually attacked Serb villages near Zavidovici—Moslem-controlled town in central Bosnia—the statement said.

A group of 620 people tried to leave Sarajevo by way of the airport runway, the United Nations Protection Force (UNPROFOR) headquarters in Sarajevo said on Monday. UNPROFOR troops guarding the airport thwarted the attempt and the whole group was returned to the city. According to UNPROFOR, this was the largest-scale attempt of leaving the city this way.

Moslems from Cazin—a Moslem enclave in northwestern Bosnia-Hercegovina—bought from Ukraine five MI-8 Soviet made helicopters, Bosnian Serb Army sources said. In spite of the U.N. arms embargo on the former Yugoslavia, the helicopters are expected to arrive in Cazin by the end of this week. The helicopters were "paid 950,000 dollars each," [as received] Bosnian Serb Army sources said but did not specify where this information came from. "Hungary and the former Yugoslav Republic of Croatia gave the helicopters permission to fly over their territories," the sources said.

Serbian Army Carrying Out 'Forced Mobilization'

AU0202132893

[Editorial Report] Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian at 1100 GMT on 2 February carries in its regular 20-minute newscast several reports on the fighting in the republic.

Studio announcer Duska Rakonjac reads an announcement by the Press Center of the Army of Bosnia-Hercegovina saying that "chetniks have great problems with additional recruiting into their units, particularly since the fighting began in the so-called Knin Krajina. Due to this fact that the aggressor has faced, a forced mobilization of Muslims and Croats is being carried out in Posavina and the broader Doboj region. In the last 15 days, 187 people have been mobilized in (?Teslic). By 27 January, 728 people have been mobilized in the Doboj region out of whom 71 have been killed, 17 seriously wounded, 123 lightly wounded, seven have deserted, and 14 have been executed for refusing orders and disobedience. Sixty Muslims and Croats from the region of Bijeljina, Janja, Modrica, and Bosanski Samac have been forcibly included into the Forth Semberija Brigade and Second Posavina Brigade of the so-called Serbian army. They were brought to the battlefield near Donji Rahic where they were deployed on the front line. They are forced to clear mine fields, where most of them get killed."

EC Meeting Accepts Rape Report

AU0102212893 Paris AFP in English 2110 GMT 1 Feb 93

[Excerpts] Brussels, Feb 1 (AFP)—[passage omitted] E.C. foreign ministers meeting here called on all sides in the Bosnian conflict, as well as the U.N. Security Council, to accept the plan drawn up by Cyrus Vance and David Owen [cochairman of the conference on Yugoslavia], representing the U.N. and the E.C. respectively. [passage omitted]

The meeting accepted a report from an E.C. mission chaired by Dame Anne Warburton estimating that about 20,000 women, mainly Muslims, had been raped in Bosnia, mainly by Serb forces.

It said: "The commission accepted the view that rape is part of a pattern of abuse, usually perpetrated with the conscious intention of demoralising and terrorising communities, driving them from their home regions."

The report urged that those responsible for the rapes should be punished as war crimes by an international court. Petersen said: "We are determined this will happen." [passage omitted]

Commentary Sees Change in U.S. Policy

AU0102193393 Zagreb VECERNJI LIST in Serbo-Croatian 21 Jan 93 p 13

[Commentary by Frane Plancic: "Far From Illusions"]

[Text] The Croatian people's confidence in America was disrupted by the statement former Secretary of State James Baker made in Belgrade to the effect that the United States firmly supports the unity of Yugoslavia and opposes Croatian and Slovene "separatism." In the wake of this expression of such a shameful lack of understanding for the historical background of the so-called Yugo-crisis and of an irresponsible pragmatism, extremist sentiments have been increasing markedly among the Croatian people.

Anti-American feeling is overwhelming, and has grown even into ignoring the evolution of Bush's role in solving the crisis. This was certainly justified, as Bush has done almost nothing tangible during the war against Croatia. The other extreme, a blind belief in the power of the dollar and the omnipotence of American democracy's march throughout the world has also been strengthened. It will be hard to reduce to a reasonable level, particularly if "cordial relations" between the Croatian and American Governments have still not been established.

The Practice of Handing Problems Over to Others Has Stopped

Croatian, as well as many other more important diplomats, have still not established "cordial relations" with the new American authorities through their "lobbying" efforts. Therefore, Croatian diplomats and proponents of extremist sentiments have to properly study the positions of the two key ministers regarding decisions about the crisis or the war that is growing into a Balkan war. Involved are the new Secretary of State Warren Christopher (67) and Defense Minister Les Aspin (55). Their most important statements were at their recent "hearing" in Congress, on the basis of which their nominations for those posts were confirmed. In these statements both expressed "pro-Croatian" positions.

The defense minister—contrary to statements by Bush's primary aides such as Generals Powell and Scowcroft and former Secretaries Eagleburger and Cheney—says that "American security and humanitarian interests in former Yugoslavia are at stake." Until recently, Bush's officials claimed that they had no vital interests in the region and either handed the problem over to the Europeans or to the UN Security Council. Expressing his personal view (one must by no means interpret this literally), Aspin said that he does not support engagement of U.S. land forces in Bosnia-Hercegovina and that the Europeans should take on a bigger role in this area. Bush's group was disgusted at the very mention of using land forces. They were wavering on airborne intervention, something that the Clinton administration considers something natural, even expanded into Serbian territory.

Croatian extremists must know that Aspin's position was expressed within a context which was by no means combative or militant. On the contrary, the new defense secretary has announced a radical reduction of the number of troops under arms (to fewer than 1.4 million soldiers), a reduction in the military budget, nuclear weapons, Navy, and Air Force, the reorganization of NATO, and an active cooperation with the United Nations, because "90 percent of all crises will be solved by engaging multilateral forces."

It is important to know the order in which he placed the dangers to which the United States must react. Nuclear threat is in the first place, followed by regional/ethnical/religious conflicts, dictatorial regimes in one of the former Soviet territories, and, finally, Clinton's favorite topic, an economic collapse that may threaten vital American interests.

Geneva Is Questioned

The new defense secretary, therefore, is not a cowboy who would grab his gun at the first challenge. It is true that Belgrade has so far known how to take advantage of such people, but the problem is that Zagreb must know how to do that better, and must do so immediately.

The same applies to the attitude toward new Secretary of State Christopher, hard-boiled from service in several American administrations. His congressional "hearing" shows that he is ready to act very resolutely against Belgrade— "I think that we must build an independent position toward Bosnia and the former Yugoslav republics, as too much is at stake for us to rely on the Geneva negotiations alone"—thereby confirming that he favors the coordinated use of armed force if the negotiations fail and that even if they do not fail, the priority is to establish a flight ban over Bosnia-Hercegovina by force.

He shows that he is not just any cowboy either with his basic position that the United States has an opportunity to create a new foreign politicy strategy whose essential and primary yardstick will be American economic interests. This is wHat should be focused on in the post-Cold War times. Next are reliance on the armed forces, which should be adjusted to new security challenges, and on spreading democracy throughout the world.

American Tripod

This trilateral foreign politicy strategy—economic measures, military forces, and democracy—can function when NATO objectives are changed and emphasis is placed on UN actions (the United States agrees to having the permanent forces under the command of the Security Council!), when the territory of the former USSR is stabilized, when coordinated methods of solving regional crises are found....

The following position in Christopher's speech, which has already upset Europe and which Zagreb would also have to carefully consider in detail, should be listened to with particular care: "...the countries on the Pacific coasts are becoming the international center of economic dynamism. In 1991, our trans-Pacific trade exceeded $316 billion, thereby eclipsing the trans-Atlantic trade of only $220 billion. Japan and the United States together include one-third of the international economy."

Although this does not mean that the United States is abandoning Europe and that therefore Croatia does not belong to its vital interests either, all this shows that Clinton's approach is fundamentally different from Bush's. One must be prepared for this lest we pay a higher price to the "pro-Croatian administration" than to the "Serbianized" Bush's foreign policy machine. What is at stake is internal political interests as well—arrogant anti-Americanism or blind faith in American strength do not constitute great public support for Croatian diplomacy.

Tudjman Defends Renewal of Fighting

AU0102171393 Hamburg DER SPIEGEL in German 1 Feb 93 pp 130-132

[Interview with Croatian President Franjo Tudjman by Olaf Ihlau and Roland Schleicher in Zagreb; date not given: "We Will Liberate Our Entire Country"]

[Text] [DER SPIEGEL] Mr. President, are the Croats trying to take the role of Balkan scapegoat away from the Serbs?

[Tudjman] Why do I get such an introductory question from a renowned magazine like DER SPIEGEL?

[DER SPIEGEL] You have been condemned by the UN Security Council for your military offensive....

[Tudjman] ... No, this is not correct.

[DER SPIEGEL] The UN Security Council has unanimously condemned the military advance in Dalmatia. For the first time, Croatia is not being considered a victim in the Yugoslav conflict, but rather has been branded as a troublemaker.

[Tudjman] Please, be precise. In Resolution 802, the Security Council mainly condemned Serbia and expressly noted that the Serbian guerrillas in occupied Croatian territory are not letting themselves be disarmed, thus undermining the Geneva peace plan. We only have undertaken action that is our right. We have liberated Croatian territory, that is, our own country, to repair a bridge that is vital for us, and to be able to use the coastal road in Dalmatia and the Zadar airport again.

[DER SPIEGEL] We certainly understand that you are not resigning yourself to the Serbian conquests. The Croatian refugees cannot return to their home villages, but you tolerated this for a year. Why has this military action come just now?

[Tudjman] Do you know how long we negotiated? We presented our concern continuously to all sides: to the Serbs, the United Nations, the UN forces on the scene. We have stressed again and again: Croatia depends on this coastal transportation route. Since all this had no effect, we decided to take action....

[DER SPIEGEL] ...and thus caused a new escalation of violence.

[Tudjman] I am very surprised that in Germany there is less understanding for our actions than in other European states.

[DER SPIEGEL] Where, for instance?

[Tudjman] In Great Britain, for instance, and in France, it is certainly understood that we want to liberate our country from hostile groups. There they have realized that we did not have any other choice in the end.

[DER SPIEGEL] Have you lost faith in a diplomatic solution to the Balkan conflict, and do you now want to establish the facts by force?

[Tudjman] Croatia has been extremely patient. We have waited, we have relied on diplomacy, we have wanted to solve the Serbian problem in Croatia peacefully, and we have passed the corresponding legislation. The other side gave us a verbal agreement, but then reneged on it.

[DER SPIEGEL] You claim that you have achieved the goal of your limited action, but the Serbs are retaliating.

[Tudjman] The Serbs will resign themselves to defeat or have to accept further defeat.

[DER SPIEGEL] Now you also have the Muslims at your throat, with fighting between Croats and Muslims in Bosnia.

[Tudjman] Yes, unfortunately. Bosnian President Alija Izetbegovic, however, together with Bosnian Croat leader Mate Boban, has called for peace. The units should reconcile and face the Serbian aggressor together instead of weakening each other.

[DER SPIEGEL] There are actions that are militarily understandable, but politically imprudent. With your policy, you threaten to endanger the entire peace process in Geneva. Has that been your intention?

[Tudjman] I accept this as a side effect, so to speak, but it is not Croatia's fault that things have progressed that far.

[DER SPIEGEL] So far the world has considered Serbia to be the main culprit of the Balkan conflict. Now you are giving the Serbs the opportunity to say: The Croatians are not much better, either.

[Tudjman] Every sensible person knows that this comparison is specious. We Croats are only liberating our own country. We are not attacking anyone. You must not forget that. The occupied areas in Croatia have never been Serbian. Who claims to have the right to accuse Croatia when we claim the right to defend ourselves?

[DER SPIEGEL] According to your logic, must there not be further military action automatically? In eastern Slavonia, for instance, which also is occupied by Serbs? The mandate of the UN forces stationed there will expire in March. Do you want to extend it?

[Tudjman] We still have to negotiate that. If the UN forces fulfill the agreement and make sure that the Serbian units are disarmed and the Croatian refugees may return....

[DER SPIEGEL] ...You do not seriously believe that this will happen?

[Tudjman] If this does not happen, we simply will not extend the UN mandate. We would conduct our own measures. At any rate, Croatia will take steps to protect its territory as an integrated unit.

[DER SPIEGEL] Thus, Cyrus Vance and David Owen may suspend their efforts for the time being?

[Tudjman] Perhaps they are just taking a break.

[DER SPIEGEL] How are things to proceed in Bosnia in the meantime? Do you support division into 10 autonomous regions? Are you for division among Croats, Serbs, and Muslims, or should the country be divided between Croats and Serbs?

[Tudjman] Croatia was the first country to recognize Bosnia-Hercegovina and to send an ambassador to Sarajevo. Bosnia can survive as a state only if all three peoples have the same right to their say as constituent elements. The issue of how many provinces there will be is of secondary importance.

[DER SPIEGEL] A year ago you told Western diplomats personally that Bosnia has not stood the test as a state. Serbian leader Karadzic speaks of an artificial state that will not be accepted. All this smells of secret cooperation between Zagreb and Belgrade, with the goal of dividing Bosnia.

[Tudjman] There have never been secret agreements between Zagreb and Belgrade on this matter. There were only talks intended to prevent the outbreak of war. We know that this was not successful. The fact that there is no secret agreement was revealed by Serbia's attack on Croatia. It is to our assistance exclusively that Bosnia owes the fact that it has not been gobbled up by greater Serbia.

[DER SPIEGEL] Thus, you continue to recognize the Muslims as an independent nation, even though some Croats and Serbs see the Muslims as their descendants who were converted to Islam under the rule of the Turks.

[Tudjman] One must make a distinction in this matter. It is a fact that the majority of the Muslims consider themselves an independent nation. There are also Muslims, however, who consider themselves to be Croats or Serbs. A look at the world map shows no Muslim entity anywhere. Bosnia is unique in this respect, but this should be discussed by scholars.

[DER SPIEGEL] The French sent a naval force to the Adriatic. In Germany, which advocated a sovereign Croatia very early on, the government is shocked by your military action. Have you had contact with Bonn?

[Tudjman] Yes.

[DER SPIEGEL] What was the reaction? Were you scolded?

[Tudjman] Come on, how can Bonn scold the Croatian president?

[DER SPIEGEL] The Russians, too, are intervening again in the Balkans, on the side of their historic ally, Serbia. Moscow warned you and threatened you with sanctions.

[Tudjman] This is not true. Russia simply does not want Croatia to stop seeking a peaceful solution.

[DER SPIEGEL] Boris Yeltsin still likes to use the term "Yugoslavia."

[Tudjman] Many people do this. Some politicians, including some in Germany, believed for a long time that Yugoslavia is the best solution for this area. Some forgot that World War I broke out here, the most different spheres of power and influence in the course of history crossed each other's paths here, and there was an interface here between Western Europe, Russia, and eastern pan-Slavic ideas.

[DER SPIEGEL] Thus, the Croats are a fortification between the powers?

[Tudjman] I would not like to use this term, even though I hear the implied meaning behind it. Zagreb was never part of the Ottoman Empire, but Budapest, on the other hand, was. Today Croatia is a modern democratic state, which you can hardly find in Eastern Europe.

[DER SPIEGEL] One does not get this impression if one sees how you harass the opposition and intellectuals.

[Tudjman] What? Dear friends, you have been blinded and are fooled by the neocommunist, Yugo-unitarian propaganda. Show me one country in Eastern Europe where intellectuals have a greater voice than in Croatia. Do not forget, we were at war. We did not have any friends, but still we established a modern Croatia.

[DER SPIEGEL] Does this mean that your authoritarian measures can be explained primarily by the war?

[Tudjman] What are you talking about? What is supposed to be authoritarian about my democratic leadership style?

[DER SPIEGEL] The central control of the news media, for instance.

[Tudjman] This is going too far. Do not forget that democratic elections were held twice in Croatia during the past two years.

[DER SPIEGEL] There also were elections in Belgrade. Serbian President Milosevic twice let himself be legitimized democratically.

[Tudjman] You are aware that I could end this conversation now? But I am not the way you think I am.

[DER SPIEGEL] Thank you. What will happen with the Serbs in the areas that have been reconquered by the Croats? Will they have to leave?

[Tudjman] All citizens of Croatia have the same rights, be they Serbs or Croats. We respect the internationally guaranteed rights of minorities. Those seeking a greater Serbia, however, have no place in Croatia.

[DER SPIEGEL] Among the bestial violations of human rights during the conflict in the Balkans has been mass rape. The accusations are directed mainly against the Serbs. Now Amnesty International has accused Croats and Muslims, too. What are you doing to prevent such crimes?

[Tudjman] You first have to remember what the people in Croatia and in Bosnia had to suffer, what the Serbian aggressor turned into ruins, how hundreds of thousands were driven away, and tens of thousands were killed. As a result, someone or another might have had the desire for revenge, but this is contrary to Croatian policy and has not appeared as a mass phenomenon, which proves that the Croatian people have preserved their human dignity.

[DER SPIEGEL] Are the Balkans moving in the direction of a new Lebanon, where everyone fights everyone else and grabs what he can get?

[Tudjman] No. One should not exaggerate. I have always felt that the Balkan states are moving toward Scandinavization.

[DER SPIEGEL] This is a very surprising forecast.

[Tudjman] It may sound incredible, but the Balkan states will find a relationship as the Scandinavian countries have. The former archenemies Germany and France are also close to each other now. Despite everything Serbian policy has done to the Croatian people, this does not rule out a similar friendship in the future.

[DER SPIEGEL] Mr. President, thank you for this interview.

Hadzic: 'Physical' End for Tudjman Near

AU0102201893 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 1 Feb 93

[Interview with Goran Hadzic, president of the Republic of Serbian Krajina, by Dragan Remecki, place and date not given—recorded]

[Excerpt] Provocations in the Serbian region of Slavonija, Baranja and western Srem, that is, in the UNPROFOR [UN Protection Force] eastern section, are a daily occurrence, as demonstrated this morning by the murder of a member of the police of the Republic of Serbian Krajina [RSK] by a sniper. But despite all these provocations, and infiltrations by terrorist groups, the situation in the Serbian region is stable and under the control of the RSK army.

Tell us, if there is aggression against this sector, what can Tudjman and Croatia expect from the RSK army that is stationed here?

[Hadzic] We will be forced to defend ourselves if the Croatian side attacks us. We expect them to go for western Slavonija and to widen the attack on the southern front. That would mean not only that would Croatia fail to recapture anything on the southern front, but that it would also have to give up some of its larger cities.

[Remecki] Tell us, you have heard Mr. Tudjman's statement in Split, what he said at the meeting, that the Croats would launch an attack and liberate all the regions of Croatia, as they call it. They still consider the RSK their own territory.

[Hadzic] Among other lies that he told there, from the number of dead, which he reduced by a hundred times, to saying that he would liberate all the cities of Croatia, as he called them, he can only try to do that, that is, try to attack them, which would mean, I think, that this defeat that he has suffered, that his political end is near but that his definite end will be both political and physical. [passage omitted]

Skrabalo Denies Extent of Krajina Operation

AU0102183693 Paris AFP in English 1825 GMT 1 Feb 93

[Excerpt] Zagreb, Feb 1 (AFP)—[Passage omitted] Anna-Maria Corazza, spokeswoman of the U.N. Protection Force (UNPROFOR), confirmed in Belgrade that violent clashes were occurring on Krajina's southern front Monday [1 February].

The Croatian Army was quoted as saying it had not responded to Serbian attacks in observance of U.N. Security Council Resolution 802 calling for an end to the fighting in southern Croatia.

In Strasbourg, Croatian Foreign Minister Zdenko Skrabalo denied the extent of the offensive, saying: "Most of our soldiers are at home. It's a limited operation for humanitarian purposes." [passage omitted]

Krajina Issues Proclamation on Croat 'Aggression'

LD0102163093 Belgrade TANJUG in English 1559 GMT 1 Feb 93

[Text] Knin, Feb 1 (TANJUG)—The Army of the U.N.-protected Republic of Serb Krajina (RSK) on Monday [1 February] issued a proclamation in connection with the continuation of Croatia's aggression on the RSK, saying that the Serb troops had consolidated their defences and responding to new Croatian attacks by counterattacks.

"The latest Croatian offensive will be thwarted too and we will regain control of our territory," said the proclamation to the people and soldiers of the RSK.

Urging the RSK fighters to persist, the RSK Army command said that the attack launched by the Croatian ustasha leadership on Monday was a disastrous mistake "because it only strengthens our resolve to win and survive."

On January 22, the former Yugoslav Republic of Croatia launched an aggression on the southern part of the RSK, defying two U.N. Security Council orders to suspend combat activities and withdraw to behind the demarcation line.

Croatian troops seized Zemunik airport, several villages in the hinterland of the Croatian Adriatic town of Zadar and the hydropower dam Peruca in the southeast.

On Monday, they launched an all-out offensive on the southern part of the RSK.

"The Serb land will always be in Serb hands and we won't live with the ustashas any more," the proclamation said.

The Croatian offensive on the RSK has left 1,000 people dead, more than 800 of them civilians.

Ustashas were elite troops of the so-called Independent State of Croatia formed under the patronage of Nazi Germany during World War Two, who committed the crimes of genocide against the Serbs in what is now the RSK.

Croatian Army Continues Attacks on Krajina

LD0202145293 Belgrade TANJUG in English 1216 GMT 2 Feb 93

["Pool" item]

[Text] Knin, Feb 2 (TANJUG)—Croatian forces continued attacks on the Republic of Serb Krajina (RSK) on Monday [1 February] night and Tuesday morning, the RSK Army Command announced.

The Croatian forces on Tuesday launched an all-out attack in the direction of Zadar-Benkovac, Sibenik-Kistanje, Muc-Petrovo Polje, Drnis and Skabrnja-Benkovac.

On Monday night, Croatian units opened a constant artillery fire and launched infantry assaults, simultaneously bringing in fresh troops, the announcement added.

It said the Croatian Army was destroying and setting fire to Serb villages in Ravni Kotari.

RSK Army Commander, Major General Mile Novakovic, again sent a message to the Zagreb-based command of the U.N. Protection Force (UNPROFOR) and UNPROFOR Commander Satish Nambiar to protest against Croatia's continuing aggression.

He said all the appeals to the international public about Croatia's aggression on the RSK were fruitless, adding that the killing of people and destruction of their property must not be allowed.

Croatia launched the offensive on the RSK on January 22, despite the sharp warnings by the U.N. Security Council, urging it to stop the aggression and withdraw its forces to initial positions.

The RSK is a predominantly Serb-populated territory within Croatia's administrative borders and is under U.N. protection.

Army Chief Claims Victory in Zadar Fighting

LD0102202093 Zagreb HTV Television in Serbo-Croatian 1830 GMT 1 Feb 93

[Statement by Croatian Army Chief of Staff Janko Bobetko on fighting in Zadar area on 1 February—live or recorded]

[Text] I am dutybound to inform the Croatian public who have been following the operation in the Zadar area—which was covered in President Franjo Tudjman's extensive interview following his tour of Zadar and other locations—that during today the aggressor has attempted to cut—this appears to be the aim—the Smiljkes-Novigrad communications line and take Novigrad, thus threatening the results of our recent operations. The aggressors have deployed a large force in this endeavor, between 700 and 1,000 troops, recruited from the fascist circles of Arkan [Serbian paramilitary leader and member of the Serbian parliament], Seselj [head of the Serbian Radical Party], and among the ranks of volunteers from Kordun and Banija and chetniks and the Benkovac garrison. Throughout the day artillery has pounded this entire territory, including Zadar's outskirts. Croatian artillery did not respond until the point was reached when the aggressors, using very large forces, launched one of the most serious operations they had been preparing over recent days.

The battle raged almost all day long. It turned very fierce as its clear aims, which I just mentioned, became evident. The outcome of this operation was: The enemy was crushed in the presence of that Mladic [Bosnian Serb general] slaughterer, Bogunovic, Lakic and the rest of this company who had been preparing this counterstrike in a rather pedantic fashion. Our forces defended the line we set, the one we described as having only two objectives, i.e. the Maslenica bridge and security along communications lines, since the Croatian forces had no other ambitions, no other tasks, so we stopped at that line.

Despite this, the aggressors were not inactive. As we can see, they amassed the largest possible force, not from Benkovac as I have stressed, but chetniks of every description, well-known war criminals in the presence of their masters.

I can inform the Croatian public that the Croatian Army won yet another battle. The enemy were completely crushed and pushed back to their initial positions, suffering heavy losses. On this occasion, I am personally addressing the public as I warn and ask the UN Protection Force gentlemen to take steps to calm the situation and warn the aggressors that Croatian territories will be defended in the same way as they were today. It is our duty, we have to carry out our obligations, that we do not open fire first, but we obviously do defend our territory. From this position, as chief of staff I can thank the soldiers, NCOs [non-commissioned officers] and officers who today won, I would say, a decisive battle for the area taken in recent days.

Serbian Attack on Zadar Hinterland 'Repelled'

LD0102171593 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 1 Feb 93

[Report by Bozidar Klaric for Croatian Radio from Zadar]

[Text] Attacks by Serbian paramilitary formations on positions held by Croatian Army in the wider Zadar hinterland are still in progress. Serbian long-range artillery positioned in Zemunik Gornji, Karin, and on Debelo Brdo Hill started provocations from 0700 this morning. Later on, intermittent fire evolved into real attacks. Shells were falling on areas in the immediate vicinity of Zadar.

The Croatian Army, in firm control of the liberated area around Zadar, did not immediately return fire. When attacks became more persistent, and after the enemy attempted an infantry assault in the Novigrad hinterland, Croatian defenders responded fiercely and repelled the enemy infantry attack. The enemy is now in disarray.

True, detonations are still reverberating throughout the Zadar hinterland, but the enemy fire is inefficient. When criminals cannot score military successes, they start to destroy anything Croatian in the occupied territories. We have learned from reliable sources that Serbian terrorists destroyed a church in the Croatian village of Kijevo today. Finally, the general alarm, which was sounded in Zadar and Biograd 11 days ago, is still in force and citizens are advised not to go out into open spaces.

Krajina Forces Say Croatian Attacks Rebuffed

LD0102192393 Belgrade TANJUG Domestic Service in Serbo-Croatian 1846 GMT 1 Feb 93

[Text] Knin, 1 Feb (TANJUG)—The Republic of Serb Krajina [RSK] Army has successfully repelled all Croatian attacks during today's fierce clashes, which are still under way. Colonel Kosta Novakovic, the Krajina Army spokesman, said this at a news conference held in Knin this evening. Colonel Novakovic voiced this general assessment of the battlefield's situation, which stretches from Obrovac to the Skadrin hinterland, adding that the Serb forces were in counterattack and had moved "a step forward" in some sections of the front. According to him, more will be said tomorrow. Numerous correspondents here took this to mean that a fierce response by the Krajina forces is forthcoming.

Talking about threats made by [Croatian President Franjo] Tudjman, who boasted about the number of killed Serbs, that battles for towns would continue, Colonel Novakovic said: "In the history of warfare and war there has not been a single military leader who boasted about civilian casualties like Tudjman is doing now."

"Our objective is clear: to defend Krajina which is formally under UN protection," Novakovic stressed his view that "the aggressor has no chance of winning against the RSK Army." He suggested that "there could be Croatian aggression on other parts of the RSK."

Asked by journalists how the Krajina Army command viewed Tudjman's threats to bomb towns in the RSK, Colonel Novakovic replied that this depends on Tudjman's decisions and will. "All nations, however, have their own capitals and other cities, and we can mete out similar measures against them."

'Fierce Clashes' Reported Along Front Line

AU0102154293 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 1 Feb 93

[Report by Damir Kozul from Benkovac]

[Excerpt] As one could have expected, the relative calm that reigned on the Benkovac trench front yesterday was short-lived. Since the early morning hours, fierce clashes have been under way along the entire front line. The Croatian Ustasha forces have been attacking from all directions, obviously not giving up their insane intention to wipe out everything Serbian in the region of Ravni Kotari and Bukovica. [passage omitted]

Serbian Volunteers From Bosnia Arrive in Krajina

AU0102213493 Belgrade Radio Beograd Network in Serbo-Croatian 2100 GMT 1 Feb 93

[Report by Spomenka Deretic from Knin]

[Excerpt] [Passage omitted] Volunteers from all the Serbian countries are arriving. Two truck-loads of material aid have arrived at the headquarters of the Serbian army and police force of the Republic of Serbian Krajina, sent to the Krajina fighters and people from members of the Hercegovina Corps of the Army of the Serbian Republic [of Bosnia-Hercegovina]. Major-General Radovan Grubac, commander of that corps, sent a letter with the aid. The fighters of Hercegovina and the Knin Krajina have felt on their own skin all the injustice of the international institutions, when it comes to solving the crisis in what was until recently our common homeland, and all the brutality of the united Croatian-Muslim coalition. The time has finally come for all Serbs to unite in the struggle for survival, says, among other things, the letter from General-Major Grubac.

TV Rejects Charges of Anti-Muslim Campaign

LD0102212293 Zagreb HTV Television in Serbo-Croatian 1830 GMT 1 Feb 93

[Text] Yesterday's press conference in Zagreb held by Bosnia-Hercegovina Presidency President Alija Izetbegovic has evoked numerous comments. Many viewers have contacted us and condemned the accusations Alija Izetbegovic brought up against President Franjo Tudjman, Mate Boban [Bosnian Croat leader], and Croatian television. Let us recap:

The leader of Bosnia-Hercegovina's Muslims accused Croatian television of waging an anti-Muslim campaign, of sending its worst reporters to report from Bosnia-Hercegovina, of lying about the suffering of Croats in central Bosnia, and so on. Our viewers, of course, know that all this is not true. Many of them are nevertheless asking why, as Alija Izetbegovic maintains, neither we nor any Croatian daily except SLOBODNA DALMACIJA have published his letter to Franjo Tudjman of 28 January. This is not true either. For, as is obvious, President Izetbegovic only sent this letter to Croatian television at 1738 today. Regardless of all these untruths, we are presenting part of the letter.

The letter says: It is with regret that I state that an unprecedented campaign is being waged against Bosnia-Hercegovina in the Croatian media. Those who know the facts and who have the truth on their side do not need this kind of campaign. Bosnia-Hercegovina decided to form an alliance with Croatia at a time when it was much less painful to join the stronger side. This commitment of ours was not a matter of calculation but a matter of principle and consistency. I remind you of our refusal to send our boys to the Yugoslav People's Army when it was wrecking Croatia, while a large number of them voluntarily fought and died for Croatian sovereignty and freedom. We expected the Yugoslav Army to take revenge for this option. This is what happened. We did not expect that Bosnia-Hercegovina's refugees in Croatia would be regarded as unwelcome and that the poorly armed army of Bosnia-Hercegovina would be branded an aggressor in its own country.

Finally, the letter concludes, I join your appeal to the Croatian and Muslim people to put an end to their mutual hostilities and achieve full cooperation in their defense against the same aggressor as well as to find ways of devising solutions for the harmonious co- existence of the two equal peoples in Bosnia-Hercegovina.

Let us note once again that at the time of Serbian chetnik aggression against Croatia, Alija Izetbegovic accused Zagreb and Belgrade televisions of being responsible for this war, that he was publicly declaring that the war in Croatia was not their war, that it was not Bosnia-Hercegovina's war, although the aggression against our country was being launched from Bosnia-Hercegovina's territory and the Croatian village of Ravno in Hercegovina had been obliterated. Let us also note that since the start of greater Serbian aggression against his country, Alija Izetbegovic has granted three extensive interviews to our studio and that we censored him only once when he said that he was in favor of a confederation with Croatia and also with others, including even Serbia. It was precisely Croatian television that transmitted the shocking and blood-soaked images of the suffering of Bosnia- Hercegovina's Muslims and facilitated the delivery of a great deal of humanitarian and other aid to his country.

Alija Izetbegovic will continue to be Croatian television's guest in the future, but he will have to tell the truth, no matter how brutal it is.

Croat-Serb Prisoner Swap Called 'Unprecedented'

LD3001212293 Zagreb HTV Television in Serbo-Croatian 1830 GMT 30 Jan 93

[Excerpt] An exchange of prisoners of war, agreed between the Croatian Defense Council [HVO] and the First Krajina Corps of the Bosnian Serb army, was carried out on the Zagreb-Belgrade highway near Lipovac, at the very demarcation line. A group of 64 prisoners, mainly Serbs and Muslims captured in battlefields around Orasje, were to be exchanged for the same number of Croats who had spent several months in the Batkovic prison camp [near Bijeljina in northeastern Bosnia]. The exchange was to be carried out in the presence of UN Protection Force [UNPROFOR] representatives and EC mission observers. UNPROFOR however assumed an active part in the exchange.

Seven captured Serbs refused to cross over to the Serbian side, whereupon UNPROFOR handed seven fewer Croats over to the Croatian side. This is an unprecedented action; such a practice has so far never been implemented. Still, what happened has happened. Seven Croats will wait in Serbian camps for another opportunity to be exchanged. The exchanged prisoners, although still in a shock, are giving evidence of torture in Serbian camps. [Video shows UN vehicles and buses with prisoners] [passage omitted]

UN Policemen Allowed To Leave Benkovac Hotel

LD2901163193 Belgrade TANJUG Domestic Service in Serbo-Croatian 1443 GMT 29 Jan 93

[Text] Belgrade, 29 Jan (TANJUG)—The UN civilian policemen who have been held in the Kamen hotel in Benkovac since 23 January by Serb forces, can again move freely. A TANJUG correspondent learned this from the UN Protection Force [UNPROFOR] Belgrade headquarters.

The presence of 21 blue helmet policemen from Kenya, Norway, Colombia, Ireland, Nigeria, Egypt, and Jordan in Benkovac was a subject of a dispute between UNPROFOR and the authorities of the Republic of Serb Krajina (RSK).

UNPROFOR representatives claimed that the Serb authorities "held blue helmets in the Kamen hotel as hostages." RSK officials insisted that the policemen could move freely, but that it would be better for them to stay in the hotel.

According to UNPROFOR reports, 11 UNPROFOR members have left the hotel, while 10 decided to stay.

Daily's Journalists Boycott Privatization

AU0102151893 Split SLOBODNA DALMACIJA in Serbo-Croatian 29 Jan p 4

[Report by S.D.: "SLOBODNA DALMACIJA Journalists Boycott Privatization!"]

[Excerpt] Split—The journalists of SLOBODNA DALMACIJA are going to boycott the offer to apply for and buy the stocks of the Publishing Firm "Slobodna Dalmacija-Newspapers." This was reported in all daily papers on Thursday [28 January]. The journalists do not want to invest money in newspapers they will not be able to control and whose editorial policy is going to be imposed on them. This decision was adopted with only two abstentions in a meeting of the members of the Journalists' Association and SLOBODNA DALMACIJA Journalists' Union on Thursday. [passage omitted]

Serbs in Croatia Changing Surnames

93BA0514A Belgrade BORBA in Serbo-Croatian 20 Jan 93 p 12

[Article by B. O. I.: "The Unbearable Difficulty of (Sur)names"]

[Text] *According to NEDELJNA DALMACIJA in Split, in the last two years thousands of people in Croatia alone have been voluntarily "getting rid of" their names and surnames, so Jovankas and Jovans are turning into Ivankas, Ivancicas, and Ivans overnight.*

The above-mentioned newspaper presents statistical data on the "unbearable difficulty of names and surnames" and the mass changes in "nominal attire" in this republic. In the last two years alone, thousands of Croatian citizens, mostly Serbs, have decided to change their names. During that period, for instance, in Zadar alone 887 citizens changed their nominal identity (268 in 1991, and 619 in 1992), 1,587 in Rijeka, 1,130 in Split, and last year in Dubrovnik such a request was submitted by 247 residents. Unofficial statistics indicate that in Zagreb this was done by several thousand people (473 in the Center municipality alone).

According to NEDELJNA, these are people who "for reasons well known to themselves want to nullify the awkward national sound of their own names through this action." It goes on to say that it is hard to give any sort of a priori answer to the question of what motive drives the thousands of people who, precisely at this time, have had their names or surnames changed, states the article's author, wondering whether it has to do with fear of a lack of prospects in Croatia, a desire for a safer and more peaceful existence under a new name that will not "bother people," a psychological need for mimicry, or a simple desire to be liked by someone in their new nominal identity.

The cases of people who have decided on this step, which they naturally do not like to talk about, clearly indicate all their psychological dilemmas, because most of them do not have enough mental and intellectual strength to surmount the "national risk" that the war and life on "foreign" soil have brought them. The testimony published in NEDELJNA DALMACIJA best illustrates this:

"Believe me, it was one of the hardest decisions of my life. The reason? To be quite sincere, things were not very easy for me at all. Wherever I introduced myself by name, as a rule I encountered some sort of vocal comments, significant glances, and even verbal attacks. That does not happen to me in private company, but it often does at sales counters, at the Red Cross, and when getting a passport. But I want to live in Croatia, because I have been living in it since I was born. That is why I changed my surname, because I think that in that way I will avoid all these awkward things. For practical reasons." (The words of a female exile from a Croatian village who bore a Serbian surname.)

A somewhat different testimony from one young man whose father is a Serb and whose mother is a Croat, who fled from a village in the Zadar hinterland:

"I did not decide on it out of fear of awkwardness or the problems that I could encounter throughout my life. So far I have not had any problems with it. It is simply that psychologically, I was no longer able to endure anything that could have connected me in any way with those butchers, because I know who they are and what they were and what they turned into. That identification disgusts me. There were also people who tried to persuade me in a friendly way of the senselessness of that act, because my father and mother are decent people and they never did any harm to anyone, but I was no longer able to endure it and I no longer want to have anything in common with those people. It is easier for me this way, and it is just my decision."

Back at the end of the last century, Gustav Le Bon wrote in his book "Psychology of the Crowd" that in certain historical situations a person loses his own individuality and merges with a mass that actually becomes a "collective individual" in its own right. That is why the author of the quoted article notes in conclusion: "It would certainly be fatal to the future of Croatian democracy if it turned into the same kind of 'crowd,' because does Croatia even need citizens who will unanimously be Croats, as least as far as nominal identity is concerned?"

[Box, p 12]

Milosevic Alias Horvat

In connection with the alleged widespread changing of names, NEDELJNA DALMACIJA also polled Veselin Pejnovic, vice president of the Serbian National Party. Here is what he said, among other things:

"It is known to me personally that the surnames of Milosevices are being changed to Horvats! What has to be broken and happen in a person before the degradation of no longer following that 'hey, hey, be your own person....' Where in this whole thing has the screaming and crying out for a person disappeared? And you see, I will not change my name and surname for that reason, just because of a person. I am not ashamed of my name, although I do not have much reason to be proud of it. On the other hand, I would be happy if someone, sometime, explained to me just where Serbian blood stops and Croatian blood begins in my child...."

Greece Stops Ship With Weapons for Croatia

93BA0515B Belgrade POLITIKA in Serbo-Croatian 20 Jan 93 p 3

[Article by R. Cuk: "Exposure of Greece's Secret Service"]

[Text] Athens, 19 Jan—A freighter suspected of violating the embargo against delivery of arms to the Croats has been detained in the port of Piraeus, it has been announced today in Athens, but the ship's owners, contacted by ELEFTHEROS TIPOS, have said that they have nothing to do with that.

The investigation is being conducted by the military secret service, and its report is awaited with great interest. According to the available information, this ship carrying arms sailed into a small port in Greece and was supposed to continue to the Adriatic. In addition to this exclusive news item, ELEFTHEROS TIPOS also reported information on more or less well-known secret deliveries of arms to Croatia, but also to Bosnia-Hercegovina, which have already been made.

The embargo on the delivery of arms, according to Greek military data published today, has been violated by Germany, Hungary, Austria, Switzerland, and the Islamic countries. On the list are airplanes, missiles, electronic equipment, tanks, and other combat vehicles and all the rest needed by well-armed armies. Hungary is given first on this list of violators of the ban on arms deliveries, followed by Poland, Germany, Austria, Italy....

The Germans have been particularly involved in unlawful transactions; as can easily be seen from this "fascinating" report, which should be seen above all as the Greek response to the unceasing charges—especially from Bonn—that Athens has been violating the economic embargo put in place toward Serbia and Montenegro.

The Dane Jensen, new chairman of the European Community, and the Dutchman Van den Broek, who is now in the EC, have also been involved in the campaign against Greece, along with Jacques Delors, president of the European Commission.

A number of other countries are also in the report which the Greek Army has on violations of the embargo on arms shipments.

Party Leaders on Change in Electoral System

93BA0507D Zagreb NOVI VJESNIK in Serbo-Croatian 8 Jan 93 p 4

[Article prepared by Gordana Grgas with statements by Croatian party leaders: "A Blow or an Election Challenge?"]

[Text] When the stormy session of the Croatian Assembly ended in "three rounds," several important election campaign issues remained in the air. Among others: Will the opposition consent to the rules of the election race which were changed at the last moment, or will they decide on the very risky move of boycotting the elections, particularly embittered because of rejection of its demand for election commissions and voter committees to be multiparty bodies? The question is what will happen now to the election agreement among the parties concluded back when it assumed that the plurality election system would apply to elections to the Chamber of Zupanijas? That agreement certainly could still have an important role in local elections, for which a combination of the plurality and proportional systems is envisaged, but it seems that its role would nevertheless be less in elections to the Chamber of Zupanijas.

How likely is the possibility that the opposition parties in the zupanijas, in electoral units for the Chamber of Zupanijas, will arrive at joint slates to match those of the HDZ [Croatian Democratic Union]? Or, will they divide up the zupanijas among themselves according to estimated election chances? From what we have heard, there will soon be a meeting of the opposition, and at it they will probably agree what they will do and how they will do it up to 7 February.

The incumbent party has adapted the election system to its own desires and needs (no one disputes its right to do so, because this is the right of the majority party), obviously estimating that it is certain to win the elections with a proportional system, assuming a 5-percent prohibitive clause.

And what are the opposition party leaders saying to all that? In a short survey, we asked them for their comments on the change in the election system and on how it will affect the election agreement, will there be joint slates, is there still a threat of boycotting the elections, and how are they preparing for the local elections?

Jozo Rados, HSLS [Croatian Social Liberal Party]: The Time Is Too Short

Every change in election legislation can cause changes in political tactics. That is why the authorities came out with this change at the last moment. It will also make the campaign as short as possible. Adoption of a proportional system in election units (zupanijas) in which only three representatives are elected is monstrous. As far as I know, they have a system like that in Chile. The only motive the government has is to get as many representatives as possible with the lowest percentage of the vote. All the rest is empty rhetoric. If this, as the government says, is the "only acceptable" system, why did it not adopt the amendment of the HSLS about a pure proportional system for election to the house of representatives as well?

With the adoption of the new election system, agreements on the joint effort of the opposition become more complicated, and the time is extremely short to make agreements. But the opportunity for an agreement does nevertheless exist.

The government completely rejected all the opinions of the opposition throughout the procedure of the territorial arrangement of the state, local self-government, and election laws. Thus, the incumbent party has taken upon itself all the responsibility for the future train of events. The boycott remains a powerful response of the opposition. The challenge, however, is to take part in the election under those conditions and to win.

The agreement of the opposition could be fruitful even in local elections. But here again the shortness of the time is the most difficult problem. For example, the elections have been scheduled, but there is no collated and edited text of any of the election laws. The decision of the central bodies of the HSLS is to have the competent local bodies of the HSLS decide about possible agreements at the local level.

Drago Stipac, HSS [Croatian Peasant Party]: Agreements Are Desirable

We consider adoption of the proportional system progress. I do not know whether this is the result of acceptance of views expressed by the public, or someone displayed more sense of reality, correcting the situation from the last elections, when the majority system was discredited. The incumbent party at that time obtained 42 percent of the vote and almost 90 percent of the seats, so that the will of the electorate was distorted.

It is very difficult at this moment to say how many agreements there will be among parties, but there is certainly a need for that. The HSS opposed the declaration and the election agreement among the opposition parties proposed at that time, but it favors an agreement in a specific context, concerning specific people and in a specific situation. That is what we are for, for the initiative to come from the field.

The HSS Presidency has demanded and has repeated on several occasions that it wants a postponement of the opcina elections because the borders of the opcinas were not settled in good time, the opinion of the population was not respected, nor was the way in which the opcinas are to be financed worked out, and so on. We have not changed our opinion on that.

We are not in favor of participants in the elections refraining from presence in the elections and in the counting of the vote on the excuse of "nonparty committees."

We feel that a combination of the majority-proportional election system in local elections is progress and is no hindrance to holding these elections, as is the case with the unsettled opcina borders and other things.

Slavko Mestrovic, HNS [Croatian People's Party]: We Were Seeking Something Else

The election system has been changed to a proportional system, because the incumbent party and government judged that an election agreement among the opposition parties would seriously jeopardize the victory of the HDZ in elections to the Chamber of Zupanijas. A proportional election system is democratic, but it is not suitable to our situation. What does it mean, that every party in every zupanija present its own slate of three candidates? And what does it mean to say that the person who heads that slate need not be a candidate for election of that slate?

The change of the election system is certainly no concession to the opposition. The opposition did not seek a proportional system for elections to the Chamber of Zupanijas, but a two-round election system on the basis of absolute majority, which is more suitable to such a small number of candidates (three) in each election unit (zupanija).

The opposition is left the possibility of agreeing on a joint effort in the elections.

The HNS will favor a boycott, because it seeks nothing other than honest democratic elections with an appropriate election system, and in our opinion multiparty election commissions and voter committees, not some kind of "nonparty" committees, are the minimum of democracy and control of the elections. However, a boycott makes sense only if all or a majority of the important parties take part in it. Agreements among opposition parties are now being worked on, and the result will be known before 11 January.

Again, for these elections our position is that an election system based on an absolute majority in two rounds is the most suitable. The stance we take will depend on the outcome of the agreements among the opposition parties. If an agreement on a boycott is possible, then we will boycott these elections as well.

Dobroslav Paraga, HSP [Croatian Rights Party]: We Favor a Boycott

Adoption of the proportional election system for election of representatives to the Chamber of Zupanijas without two election rounds and without multiparty election commissions and committees is yet another strong blow aimed at completely doing away with Croatia's multiparty parliamentary life. The HDZ despotically wants to use this election system to prevent the creation of any election agreements among opposition parties or a party coalition, while at the same time the incumbent elite is counting on a programmed division of votes between the HDZ (two-thirds of the vote) and the HSLS (approximately one-third of the vote). This deal will come back to haunt both the incumbent party and still more the Liberals if they consent to such a bargain.

Joint slates of opposition parties are out of the question if the parties which entered into the election agreement respect the decision of 9 December of last year, which was signed by Mr. Drazen Budisa, president of the HSLS, on behalf of the HSLS, HNS, SDP [Social Democratic Party], HSP, SSH [Socialist Party of Croatia], HDS [Croatian Democratic Party], HKDS [Croatian Christian Democratic Party], SDH [Social Democrats of Croatia], and KNS [National Compact Coalition], which states "it has been decided that the opposition parties will boycott the elections unless multiparty election commissions and multiparty control of the entire election proceedings are accepted."

The refusal to adopt multiparty voter committees and commissions shows that the HDZ is highly uncertain of victory if multiparty control of the vote count were to be introduced. These elections, and not because of that fact alone, will be below the level of those in Slovenia, and to make it still more absurd, they will be more suspicious and, we can say even now, less democratic than those in Serbia, where multiparty election commissions were also adopted. The ballots found in favor of the HSP following the election on 2 August are a sufficient argument not only as to the irregularity of these elections, but also evidence that still more dishonest and rigged elections are being prepared now, under the same conditions.

The HSP stands by its decision to boycott the elections. If our officials judge that under all these conditions they can take part in the elections for the opcina, municipal, and zupanija administration, they will do so on their own responsibility.

Davorko Vidovic, SDPH [Social Democratic Party of Croatia]: Why at the Last Moment?

The proportional election system is more suitable than the majority system, but this is not a concession to the opposition, as has been demagogically stated. The opposition, after all, was seeking a majority election system in two rounds. This radical change of the election system at the last moment, the day before scheduling the elections, is a blow to the opposition and a concession to the incumbent party.

There is a possibility of joint slates of the opposition or a portion of the opposition in the zupanija elections. But an election agreement that will diminish competition among the opposition parties is more likely.

It is incomprehensible that the HDZ should obstinately refuse multiparty election commissions, as is the argument given for this, which is insulting to people who have common sense. There is the possibility of boycotting the elections. If the opposition parties insist on that, the SDP will join them, but we warn that high unity and political activity of the opposition are needed if such a step is to be successful.

Because we consider local self-government essential, we will participate in the elections for local councils, and here we expect a quite high degree of cooperation among the opposition political parties.

Federal

Cosic Cables Yeltsin on Russia's Role in Crisis

LD0202094693 Belgrade TANJUG Domestic Service in Serbo-Croatian 0900 GMT 2 Feb 93

[Text] Belgrade, 2 Feb (TANJUG)—Dobrica Cosic, president of the Federal Republic of Yugoslavia, today sent a written message to Russian President Boris Yeltsin.

The message notes the necessity of ending the war in Bosnia-Hercegovina and also the Croatian aggression against the Republic of Serb Krajina.

The Yugoslav president also made a special comment on the role of democratic Russia in the current Yugoslav crisis.

Panic Reportedly Delayed at Hungarian Border

AU0202174593 Belgrade BORBA in Serbo-Croatian 1 Feb 93 p 1

[Unattributed report: "Message: Do Not Come Back!"]

[Text] [Former] Federal Prime Minister Milan Panic returned to Belgrade at about 0300 Saturday [30 January] after a month's absence from the country. He is staying in his residence at 23 Uzicka Street. He will continue to act as prime minister until the new government is elected.

The return of Panic seems to have had a mysterious and strange dramatic twist. First, the federal agencies refused to send a plane to Budapest to pick up the prime minister. After that, or because of that, Panic was sent a message saying that "it would not be convenient even if the prime minister were to come into the country by car." Such a message was apparently sent to him by President Dobrica Cosic himself.

Despite all that, Panic decided to return, but he was delayed at the Horgos border crossing for five full hours! The only reason was that his driver Richard Sarayan apparently did not have valid travel documents. It is very strange, however, that the police blocked the roads for several hours and insisted that Prime Minister Panic—who had in the meantime gone to the Horgoska Carda restaurant two kilometers from the border—return to the police station, where some of his entourage had been kept waiting, to be "examined" again. The prime minister refused to do so. Only after long wrangling into the early morning hours was he allowed to continue on his way to Belgrade.

No one could offer an official explanation yesterday why all this was done to the prime minister.

UN Mandate Extension in Krajina Requested

LD0102175093 Belgrade TANJUG Domestic Service in Serbo-Croatian 1704 GMT 1 Feb 93

[Text] New York, 1 Feb (TANJUG)—The Yugoslav Government has asked the UN Security Council to renew the UNPROFOR [UN Protection Force] mandate in Serb Krajina. A letter by the Federal Government which was published in UN headquarters as an official document today recalls that decisions on the placing of these areas of Yugoslavia under UN protection envisaged that the UN forces would be deployed there until political solutions to the crisis have been found. "A brutal war launched against the Serb people in these areas," the letter by Yugoslav Vice Prime Minister Radoje Kontic says, "shows that the UN presence is indispensable."

The letter says that the preservation of peace and security in Krajina directly contributes to the peace process in Geneva negotiations. The letter also contains a warning that there is a risk that the war launched by the Croatian Armed Forces against the Serbs in Krajina may spread.

Cosic To Begin Talks on New Prime Minister

LD0102171093 Belgrade TANJUG in English 1642 GMT 1 Feb 93

[Text] Belgrade, Feb 1 (TANJUG)—President of the Federal Republic of Yugoslavia (F.R.Y) Dobrica Cosic will this week begin consultations on the candidates for the post of federal prime minister, TANJUG learned from sources close to Cosic on Monday [1 February].

Cosic will begin consultations 'as soon as legal conditions allow', which practically means after February 3, when the two chambers of the Federal Parliament are holding their constituent sessions.

Under the Yugoslav Constitution, President Cosic will discuss the candidates for the future prime minister-designate with representatives of the parliamentary parties.

Due to Yugoslavia's extremely complex international position and economic difficulties, the consultations are not expected to last long and the prime minister-designate is expected to soon propose his program and the members of his cabinet.

The deputies of the old Yugoslav Parliament voted no confidence in Federal Prime Minister Milan Panic and his federal government a few days after the early elections were held on December 20.

Paper Says Vance To Quit Talks, Join Clinton

LD0102215793 Belgrade TANJUG Domestic Service in Serbo-Croatian 2125 GMT 1 Feb 93

[Text] Belgrade, 1 Feb (TANJUG)—The Belgrade daily BORBA writes in its 2 February issue that Cyrus Vance, cochairman of the Geneva conference on former Yugoslavia, will leave his mediating position and join U.S. President Clinton's team. BORBA cites Geneva circles. "Serbian delegation circles look on this decision with sympathy because they believe that Vance, with his understanding of the Yugoslav crisis, will have influence on Clinton himself and his attitudes toward Serbia and Serbs."

Economist: 90 Percent of Economy May Go Bankrupt

LD0102164793 Belgrade TANJUG in English 1624 GMT 1 Feb 93

[Text] Belgrade, Feb 1 (TANJUG)—Yugoslavia's losses caused by the U.N. economic embargo are equal to those from war destruction, renowned Yugoslav economist Oskar Kovac told TANJUG on Monday [1 February].

The Federal Republic of Yugoslavia, which was not engaged in the war, has had the losses as high as Croatia in which a war has been waged for two year.

The F.R. Yugoslavia entered this year with the world's record inflation of 19,810 percent, and it rose further 100.6 percent in January alone.

Kovac said Yugoslavia was left without markets after the E.C. imposed sanctions on the country in November 1991, and the U.N. followed suit in May 1992.

"Yugoslavia's economic capacities have not been damaged, but they cannot be used. All the markets have been lost and extremely high fixed costs remained," said Kovac.

According to official reports, Yugoslavia's social product fell 30-35 percent as compared to 1991. One-third of the 2.3 million people employed in the social sector were sent to compulsory leave, and export-import activities have completely been suspended.

Kovac said that once the blockade was lifted, Yugoslavia might face the fact that 90 percent of its economy had gone bankrupt.

The totally bankrupt enterprises will have to be sold either to domestic businessmen or to those who have imposed the sanctions, Kovac added.

He said it was to be expected that the "black market" and war profiteering would appear as the reaction to the embargo.

"Many firms in the countries which have imposed the sanctions on Yugoslavia earn from this. Naturally, Yugoslavia is losing because it sells goods at bargain prices and buys the imported goods at sky-high prices. In this way, foreign partners are violating the embargo, but the profit is enormous and is worth a risk," Kovac said.

Danger of Foreign Intervention Viewed

93BA0501A Belgrade VOJSKA in Serbo-Croatian 14 Jan 93 pp 7-8

[Commentary by Dr. Petar Knezevic: "The World and the Yugoslav Crisis"]

[Text] *After three days of talks in Geneva beginning on 2 January, negotiations on the former B-H [Bosnia-Hercegovina] and the Yugoslav crisis, which have entered a critical phase, resumed on 10 January. The negotiations are being held on three parallel tracks: political, military and humanitarian. Is there a place for optimism upon the resumption of the negotiations, and is foreign military intervention in B-H and elsewhere in the Balkans a sort of Damocles' sword and a continuous threat to the Serbian Republic [of Bosnia-Hercegovina] and to the FRY [Federal Republic of Yugoslavia], and especially to Serbia and the Serbian nation?*

The outgoing U.S. Administration headed by George Bush is exerting final pressure on its allies in the EC, especially on Great Britain and France, as permanent members of the UN Security Council, as well as on the Commonwealth of Independent States and the government of Boris Yeltsin, whose status as an equal partner continues to be formally recognized.

Situation in International Relations and Indicators of Danger

The goals of this pressure are as follows:

- To make the UN Security Council adopt a new resolution on the use of force in the no-fly zone in B-H, which would actually serve as a basis in international law for aggression against the Serbian Republic, or rather the Federal Republic of Yugoslavia if it were to intervene in the conflict in the territory of the former B-H (which, depending on the need, could be staged, imputed, or spuriously proven);
- To show the U.S. public once again that in the Republican George Bush Administration the United States had real representatives of authority who defended U.S. interests and the interests of its allies in the world, something that should be remembered until the next presidential election, and also to force on the new administration headed by Bill Clinton the will to continue the previous administration's policy;
- To satisfy the wishes of leading Islamic countries and their aggressive demands that B-H be defended, especially Saudi Arabia, Iran, Pakistan, and Turkey, because of U.S. interests in those countries, but also because of the ambitions of certain former officials in the Bush administration to continue their careers as businessmen after their departure from the political scene;
- To maintain the position and role of the United States and of NATO, from which it is most likely that U.S. forces would be committed in the event of military

intervention in B-H (the plan by Gen. John Shalikashvili), as well as the role of the U.S. Sixth Fleet;

- To show the world definitively that small countries have absolutely no chance of survival as independent states unless they accept the decisions and architecture of the new world order imposed on them by the great powers;
- With the help of Albania and other neighboring countries, to incite destabilization in the FRY—first in Kosmet, and then in other regions (Sandzak, Vojvodina, the Serbian Republic of Krajina, and especially in southern Serbia, where the "Milosevic regime" won a convincing victory in the recently held, early, multiparty elections), which would serve to escalate the conflict in B-H and be a pretext for aggression against the FRY, because it "threatens world peace" in the always turbulent Balkans;
- To confirm, once again, the position of the leading power in the world and the strategy of domination that should be inaugurated shortly in the U.S. Congress;
- To silence the Russian opposition, which is exerting strong pressure on B. Yeltsin and at the same time to inspire Muslims in the former USSR to continue the struggle for their political emancipation and independence, which is being animated from countries in the Islamic world;
- By settling the situation in international relations, to create more favorable conditions for internal changes in the United States, and to show that the Bush administration left its successor with optimal conditions for performance.

Pressure from Islamic Countries

The transition team for the assumption of state functions has completed its work. The head of this team for the new U.S. President was Warren Christopher, who has been appointed secretary at the State Department. It is unclear how Christopher and Eagleburger carried out the transfer and what they concluded, all the more so since the latter was the main proponent of the adoption of a new resolution by the UN Security Council on the use of force in the B-H no-fly zone. However, everything that is known about Christopher indicates that he is a man with ample diplomatic experience (he was a deputy to Cyrus Vance in the Carter Administration), and it can be concluded that Eagleburger's activities after that are actually an attempt to fire "from an empty gun" in order to induce fear.

One thing that is positive right now and that alleviates, to a certain extent, the campaign of pressure against the Serbian Republic, the FRY, and the Serbian nation as a whole is the fact that there is no unity within the EC with regard to the use of force, and that sober analyses are being done concerning the possible consequences of an escalation of the Balkan conflict.

The greatest advocates of aggression against the Serbian Republic and the FRY continue to be Islamic countries, led by Turkey and Albania, which are exerting strong pressure not only on the United States, but also on the United Nations. The situation is also complicated by the fact that now Pakistan, a country known for Islamic fundamentalism, is becoming a member of the Security Council replacing India, which had a moderate and objective position with regard to resolving the Yugoslav crisis. The government of Alija Izetbegovic has not stopped spreading lies about how Serbia is the aggressor in the former B-H and insistently calling for the internationalization of the Bosnia-Hercegovian question and foreign military intervention. The government of the Republic of Croatia, which already has 65,000 soldiers in B-H, justifies this fact with a signed pact defining a military alliance, even though it is obvious to anyone that those units were in the territory of B-H even before the military pact was signed, i.e., ever since the beginning of the conflict in B-H (April 1992). At the negotiations in Geneva, the Croatian side has demonstrated hesitation at certain phases, but in the end it has always been on the side of the Muslim leadership, to the disadvantage of the Serbs. This creates an additional difficulty in terms of reaching an agreement on a peaceful solution to the ethnic, religious, and civil war in the former B-H.

Bearing all this in mind, it can be concluded that the indicators of the danger of aggression against the Serbian Republic and the FRY are a reality that we dare not underestimate. Pressure in the form of propaganda and threats of the use of force is evident in numerous reports in the world's mass media, statements by high-ranking political and state officials, the statement by G. Bush that the United States will intervene if the conflict moves and spreads to Kosovo, the hostile statements by the heads of state of Turkey and Albania against the FRY and the reception of a delegation from Izetbegovic's government in Turkey and other countries in the Islamic world at any time, and the threats by Croatia that it will use force to regain administrative control over the territory of the current Serbian Republic of Krajina, etc. In a word, the current military-political situation in international relations is not favorable, and it demands that corresponding defensive and security measures be taken.

Trends and Possible Course of Events

Being under the rigorous control of the sanctions imposed by the international community, and practically under quarantine or in a "concentration camp," the FRY is clearly not succeeding in stabilizing its economy. This situation also gives rise to enormous problems that have clear repercussions on the country's political stability and security.

Multiparty elections have been completed, and it can be concluded that regardless of what the international public expected from them, a democratic process was followed and the future federal and republican parliaments will be multiparty bodies, and democratic decision-making processes will be applied in them. This fact instills hope and has positive repercussions on whatever political stability is present in this country. This could also be a positive assumption for more favorable treatment of the FRY by the international community, especially if a democratic ("concentrated") government of national and state salvation is formed successfully, which would make efforts to have the wrongly imposed international sanctions against the FRY (Serbia and Montenegro) lifted.

On the international scene, even stronger pressure and threats of the use of force should continue to be expected. It is precisely in Geneva that the critical negotiations on B-H and on resolving the Yugoslav crisis are going on. The continuation of these negotiations is the most delicate and perhaps also the critical phase in negotiations that are being conducted on three parallel tracks: political, military, and humanitarian.

Political and Military Negotiations in Geneva

The top-level political negotiations between the three warring sides—Serbs, Muslims, and Croats—with mediation by the United Nations, the EC, and the presidents of the FRY and of the Republic of Croatia, are clearly the most important ones, and their decisions will implicitly affect the content of talks between military representatives and of future humanitarian operations. For now, the results of the political negotiations are not absolutely positive or, to phrase it better, the solution is being postponed for the time being, because the Muslim side is insisting on the recognition of B-H as an independent and sovereign state, while the Serbian side does not accept being denied its right to political constructivism and self-determination. Moreover, individual aspects of the proposed small provinces (10) are debatable, but their basic definition is not controversial. Thus, the structuring of the future B-H as a confederative state, but by no means as a unitary one, will depend on finding compromises at the political negotiations.

From the military angle, the negotiations under the chairmanship of Maj. Gen. Satish Nambiar, the commander of the UNPROFOR [United Nations Protection Force] forces, despite the objections lodged concerning individual belligerents, are going rather well, although their outcome will ultimately depend on the results of the political negotiations. Gen. Nambiar has presented seven annexes in his plan for resolving the crisis in B-H, and in them the belligerents are required to sign agreements: (1) on an unconditional halt to hostilities and a cease-fire; (2) on the rebuilding of the infrastructure in B-H so that life and work can be normalized; (3) on opening roads for humanitarian aid; (4) on separating clashing forces; (5) on demilitarizing Sarajevo; (6) on monitoring (controlling) the B-H borders; and (7) on the return-withdrawal of the armed forces of the belligerents to certain provinces.

Between Peace and War Option

Although mutual charges have been leveled before the military commission concerning this or that operation or activity—for example, that the military units of the Serbian Republic that are encircling Sarajevo be immediately disarmed and that heavy weapons be placed under the control of UN forces, that units of the Croatian Armed Forces be withdrawn from B-H in 48 hours, that the heavy weapons of the Muslim and Croatian forces be placed under the "supervision" of UNPROFOR forces, as was done with Serbian heavy weapons—the military negotiations must nevertheless be regarded as a subject that is functionally dependent on the political negotiations and on a future overall accord.

As far as negotiations on humanitarian aid are concerned, there should not and must not be any problems whatsoever here. On the contrary, everything must be done to see to it that this operation takes place without disruption, although this has been extremely detrimental to the defense and security of the Serbian Republic.

In the coming period, it can be expected that the position of the international community toward the war in B-H and the Yugoslav crisis will depend very much on the success or failure of the political negotiations. If the negotiations continue under unfavorable conditions, or rather if the "constitutive document" offered by Vance and Owen on the structure of B-H is not accepted, then it can be expected that a resolution by the UN Security Council on the use of force in the no-fly zone will be hurriedly adopted before the change in the U.S. Administration, which will allow for not only the legal and legitimate use of force, but also the possibility of its wider misuse, with far-reaching consequences. On the other hand, if additional pressure is exerted on the Muslim side and if it definitively renounces the unitary state ("Dzamahirija"), which the international community has unfairly granted the Muslims, then it is possible that a solution to B-H will be found through the peaceful means of politics. In the current situation, specifically, it is seen more clearly than before what kind of mistake the international community made by rashly recognizing B-H and ignoring the previous Constitution in which the Serbian nation was a constituent element and had a consensus right (a veto that the international community did not respect). Because of different possibilities and variations in the continuation of the negotiations on B-H, the situation is very delicate and complicated. All options are possible, and the outcome is uncertain. Thus, the possibility of foreign intervention in the former B-H and more widely in the FRY is a sort of Damocles' sword and a constant threat that can be eliminated only through a reasonable policy and equal treatment of all three belligerents by the international community.

It appears that the rejection of Vance and Owen's "constitutive document" on the future structure of B-H by the Serbian Republic caused an acceleration of the mechanism for adopting a Security Council resolution on the use of force in the no-fly zone, primarily against Serbian Republic aircraft, which have not carried out any operations for two months now, while closing their eyes to the constant flights by Croatian AN-2 airplanes along a route from Pleso (Zagreb) to Velika Kladusa (Cazin Krajina).

In addition, incidents by special units of the Croatian armed forces against the territory of the Serbian Republic of Krajina have become more frequent, as has intensified psychological-propaganda activity, which further complicates the situation in the territory of the former Yugoslavia.

Danger of Escalation of War

In the coming period, a lifting of the embargo on the import of weapons and military equipment into B-H can be expected, although that embargo has not been observed thus far anyway. The number of foreign mercenaries—mujahidin—is rising continuously. Statements by foreign officials on the need for military intervention against the Serbian Republic and the FRY encourage Muslims and Croats and offer them hope that this will have to happen sooner or later. Thus, the impression is that the key to resolving the crisis in Yugoslavia and the war in B-H is exclusively in the hands of the most powerful foreign powers and that they are most likely not interested in seeing the tragedy of war in this region come to an end. Thus, one cannot rule out the possibility of foreign military intervention. It is probably realistic first of all in a limited sense (in terms of scope, method, and targets, temporally dependent on international and internal circumstances), but we must not lose sight of the fact that even limited intervention can get out of control and that the conflict can escalate and spread throughout the Balkans. Moreover, the situation in the former USSR must be regarded in terms of its functional connection with events in Yugoslavia, and the extension of conflict to that region would lead to great uncertainty and draw into question the preservation of world peace.

Antiaircraft Defense Chief on Possible Attack

93BA0503B Belgrade NIN in Serbo-Croatian 15 Jan 93 pp 20-21

[Interview with Major General Radomir Sekulic, commander of Yugoslav Air Defense, by Aleksandar Kadric; place and date not given: "Troubled Sky"]

[Text] Now that the Federal Republic of Yugoslavia [FRY] has been subjected to various "bombardments" in the media, will that be followed by a real bombardment? The bringing of NATO and U.S. strike forces into our immediate vicinity, accompanied by frequent and increasingly harsh threats of the use of force, indicates that the attempt to realize such designs has come dangerously close to reality. It was fascinating for that reason to hear the opinion of current events of Major General Radomir Sekulic, commander of the Air Defense [PVO] Corps of the Army of Yugoslavia [VJ]. This unit, equipped for air observation, reporting, and guidance, with missile systems and fighter aircraft, "covers" the Yugoslav sky.

From what has been written in certain Montenegrin papers, we might conclude that our airspace has become an El Dorado for foreign aircraft—they are appearing practically every day, and no one is reacting to it! The statements by certain naval officers, people, as the subject of our interview says, who "are not authorized" to furnish information about the situation and events in airspace, also certainly contributed to this kind of informing/misinforming the public.

Emphasizing that the circumstances in which we find ourselves require a higher degree of responsibility on the part of the person who releases the news of a violation of airspace, General Sekulic said:

"There have been provocations by helicopters from naval vessels belonging to the maritime forces enforcing the blockade of the FRY. In all cases, a note of warning was sent to the competent authorities. It is not true that there have been as many provocations as has been stated in public. Concerning provocations from airspace, I accept only those data furnished by the RV i PVO [Air Force and Air Defense] Command, not journalists and other sources which do not have official responsibility in this area."

AWACS Routes

In answer to the question of how air defense units of the Army of Yugoslavia would react to certain similar events in the future, the commander of the PVO Corps replied:

"We must not allow ourselves to be provoked, which the forces favoring intervention of certain countries would just love to see, so that they could accuse us before the world of commencing an armed conflict. We must be ready for an appropriate response, but also cautious in our assessments and in making a decision to open fire. I should mention that every provocation is analyzed as a function of the general situation and the pronounced intention, and the appropriate reaction of our PVO follows from that."

Gen. Sekulic clarified what is meant by the term "provocation." This is a situation when an aircraft almost "slides" along the very edge of a neighboring country's airspace. In this "war of nerves," there is in practical terms no violation of someone else's airspace. The air defense of the country being provoked must limit itself only to making a record of the aircraft and monitoring its movement. It is of interest that Hungary recently lodged a protest because of an alleged violation of its airspace, even though our aircraft was 10 km from the common border.

We asked the subject of our interview to give us his opinion about the type of flights of U.S. warplanes which have been announced (of which the public was informed in a press release which caused quite a panic). Gen.

Sekulic believes that this is only one more piece of evidence "that Yugoslavia is being constantly threatened with weapons." All U.S. airplanes that fly over the international waters of the Adriatic will be tracked by the observation systems of Yugoslav Air Defense. That zone, as well as everything that happens in it, is explored by our radar anyway for preventive reasons.

The movement of the many AWACS planes which have been mentioned has not gone unnoticed either. The AWACS planes use three zones from which they conduct observations: one has already been mentioned and encompasses the airspace over the international waters of the Adriatic, the second is over the Ionian Sea, and the third over Hungary. In the main, two aircraft are in use on two of these routes.

As far as the model of armed aggression against the FRY is concerned, it is almost certain that the first phase of such an operation would be a "strong air strike against vital targets." If it is any consolation at all, the subject of our interview almost precluded the possibility of civilian objectives being targeted in the first phase. Nevertheless, along with that vision, it is almost inevitable that one must make a comparison with Desert Storm carried out against Iraq. Could a similar situation occur with us?

Gen. Sekulic believes that Iraq allowed itself to be surprised and did a very poor job of predicting the attacker's mode of operation, which is why it experienced a disastrous defeat. Having learned from those experiences of Desert Storm, our PVO units are constantly practicing action under the conditions of strong electronic jamming by an adversary, but also combat against "cruise missiles."

"Many military experts in the world have been warning the governments and politicians of their country that they must not equate what they saw in Iraq, during what is called Desert Storm, with what interventionist forces would experience in our country, in some Balkan Storm, as they refer to it. By no means can we say that we have any omnipotent weapon, that we will down everything in the sky, and will not suffer any consequences. That would be absurd! The essential thing is that we are realistic, that we are aware of the capability of the equipment and personnel we possess. If we use it, and we will, then our counterstrike and deterrence of the aggressor will be effective," Gen. Sekulic said.

Old Equipment?

A portion of the foreign (but also domestic) press believes that our air defense system will soon be entirely unusable because the supply of indispensable parts for radar-observation and missile systems of air defense has been stopped. Mention has also been made that what they possess is obsolete.

"You are well aware of the fact that certain journalists, and indeed entire editorial staffs of certain foreign newspapers, are turned against the FRY and the Army of Yugoslavia. The reasons are probably well-known to them. They often spread defeatism and distrust of the need for and capability of the country's defense. They are well aware of the difficulties in obtaining replacement parts, because we have weapons systems manufactured abroad, and we are under a regime of blockade and embargo. For the present, we have the necessary inventories of replacement parts. We have equipped our industry for successful production of certain critical components and assemblies. We are successfully maintaining the required operating condition of weapons in the air defense system for instant use in air defense combat if that should occur. As for the outdatedness of our PVO systems, in that respect they are at the level of most armed forces of moderately developed countries in the world. We consider them sufficiently effective, within the limits of their technical and combat capabilities, to guarantee effective air defense of the territory, facilities, and groupings of the Army of Yugoslavia. In accordance with the experiences gained on the proving ground and in combat actions, we additionally updated and modified war equipment in order to increase the reliability and effectiveness of all the weapons in combat.

"We are aware, the personnel of the PVO Corps and I as commander—that all the equipment we possess is not the most modern (although we also have very up-to-date systems), but it is also a fact that we have quite a few reserves. The high level of training, motivation, and morale of the men successfully make up for that lack," replied the commander of Yugoslav Air Defense.

Recently, there has been mention of the possibility of the Armed Forces of Croatia procuring ballistic "surface-to-surface" missiles from the former East Germany (the diverse arsenal of missiles of the Soviet Army left to it). These missiles, above all because of their range, would constitute a potential threat to the territory of the FRY and indeed to Belgrade itself.

"We Have Not Flown"

Gen. Sekulic confirms the objective possibility of Croatia obtaining these missile systems. However, he feels that Zagreb would have a hard time deciding to use them. Because nevertheless this development of events should not be excluded, the Army of Yugoslavia has, of course, worked out countermeasures—all positions and means of launching "surface-to-surface" missiles would be attacked.

Foreign periodicals have published that the airplanes attacking targets in the former Bosnia-Hercegovina have been taking off from our airfields. Categorically denying such a possibility, Gen. Sekulic believes that all those "news reports" are calculated to create an alibi before the war for a possible military intervention against the FRY. The commander of the PVO Corps says that "since 19 May 1992 there have neither been nor are there any flights of military aircraft whatsoever from the space of the FRY toward the territory of the former Bosnia-Hercegovina."

The steady increase in the number of members of peacekeeping forces and observers of the United Nations, both in the war zone and also in certain units and facilities of the Army of Yugoslavia, has been accompanied by certain not very pleasant events. Gen. Sekulic had this comment:

"I am well aware, as you are yourselves, that there have been cases of improper behavior by members and certain missions of the UNPROFOR [UN Protection Force] who have shown an interest in matters outside the limits of the mission which they are performing.

"We in the PVO Corps have also had cases in which the activity of certain of our units were monitored by observers of the UNPROFOR. We have sent to such individuals official warning that those activities do not fall within the domain of their missions. I feel that we should behave correctly toward them, but not allow them to overstep their jurisdiction in any way or under any conditions."

In the conclusion of this interview, Gen. Sekulic also described how he sees the presence of foreign journalists at important facilities of the Army of Yugoslavia. Although that openness of the army has been deliberately abused by certain journalists, our guest believes that one should not cut oneself off.

Economic Representatives Abroad on Sanctions

93BA0508D Belgrade POLITIKA in Serbo-Croatian 25 Dec 92 p 10

[Article by A. Cubrilo Kosovac: "Some Foreigners Have Not Even Heard of the Sanctions"]

[Text] Until just recently you could not count on the image of a successful business executive if you had never spent at least one tour in one of our rather numerous representative offices abroad. In the time of the former Yugoslavia, our firms had thousands of those representative offices, and the Chamber of Commerce of Yugoslavia also had a sizable number of these representative offices.

The man in the street heard various stories about how successful they were, mainly in the style: they were not worth the trouble. Of course, there were also those official figures according to which our people who earn their livelihood in them did actually do a little something. However, to tell the truth, they figured more as middlemen in the importation of foreign goods into Yugoslavia than in the exporting of our products into the world at large. Nevertheless, the figure showing a trade balance of $42 billion last year, to which the people in trade missions undoubtedly contributed, is not to be underestimated.

What is the situation today? Is there anyone sitting in any of those leased offices all over the world at a time when no one wants to trade with us because of the sanctions, we asked Spasoje Spasojevic, assistant director of the Sector for Foreign Economic Relations of the Yugoslav Chamber of Commerce.

As for the chamber's representative offices abroad, a certain reduction began even before the sanctions. Thus, up until 1990, Spasojevic said, "we had 60 representative offices in the world, but until recently, before the sanctions were introduced, we had 25, and they were in 24 countries. The officers were in Moscow, London, Frankfurt, New York, Paris, Milan, Prague, Warsaw, Budapest, Sofia, Bukuresht, Istanbul, Madrid, Brussels (mission at the EC), Vienna, Athens, Thessalonica, Cairo, Baghdad, Algiers, Tehran, Bombay, Beijing, Tel Aviv, and Tripoli.

"After the sanctions were introduced," Spasojevic continues, "we brought back to the country 13 of the people employed at that time (in some representative offices, there were no people employed, because their personnel had consisted of people from republics which left Yugoslavia or were waiting for replacement because their tours were over).

"Because this was mainly space that had been leased, in most cases we gave notice," Spasojevic mentioned, "and the valuable equipment was put in the storerooms of our embassies. We own only three offices in the World Trade Center in Brussels.

"Even though we are not doing business with the world because of the sanctions that have been introduced, we held on to some of the space leased in Moscow, Frankfurt, London, Milan, Sofia, Bukuresht, Istanbul, Brussels, Athens, Thessalonica, Beijing, and Tripoli. Some of that space was rented out to our own firms. We think that this is cheaper than losing attractive and inexpensive business premises because we have no business at present.

"As for personnel, most of them are doing their former jobs after they have come back, and three representatives whose tours were still not over have been receiving dinar salaries, and occasionally they render services to the Yugoslav Chamber of Commerce.

"They are working," Spasojevic recalls, "together with a team of the Yugoslav Chamber of Commerce on preparations of an original marketing offering to the world by the new Yugoslavia. That is, while we wait in the Chamber of Commerce for the embargo to be lifted, with the help of top-flight marketing agencies we are working to prepare films, to register firms, to prepare brochures for entire sectors of the economy, all those things that when the time comes will make it possible for us to offer the world both business and tourist advertising. We have also requested that part of the funds for these purposes be appropriated from the federal budget."

The assistant director of the Sector for Foreign Economic Relations also revealed to us a curiosity. Even though the doors of our representative offices have closed, and some of the records and equipment have been moved to the embassies, every day all over the world the offices which were not relinquished and our trade missions in embassies receive at least a dozen inquiries a day from important businessmen. They are seeking particular goods, and quite often they are surprised by our reply that we have been subjected to sanctions and cannot do business with them. We are surprised, but we must also admit gratified in a way by their lack of information, because we realize that politics is one thing and business something else.

General Radovic on 'Opera' Affair, Army Coup

93BA0504B Belgrade VREME in Serbo-Croatian 28 Dec 92 pp 35-37

[Interview with Major General Vojislav Radovic, retired, formerly assistant commander of the Air Force and Air Defense for moral training and legal affairs and deputy chairman of the Council for News and Propaganda, by Filip Svarm and Uros Komlenovic; place and date not given: "A Falsified Opera"]

[Text] "We need to clarify what Opera was," Radovic said. "It was not created by the RV i PVO [Air Force and Air Defense] Security Department, but this was a unit of the RV i PVO Command for news-propaganda and psychological-propaganda operations. We developed the staff envisaged in wartime situations, but in a specific way, because a state of war had not been proclaimed. It was because war had not been declared that we could not get quality people from the TV studios, the radio, and the newspapers. Opera was created on the basis of orders that originated in the SSNO [Federal Secretariat for National Defense] and our war plans. We were in the act of examining these problems when war broke out. The political administration did a study of the news-propaganda and psychological-propaganda activities of modern armies of East and West, honoring our conception. Among other things, the unit used U.S. experiences from the Vietnam War and "Desert Storm." Our task was to counteract the enemy's propaganda activity, in this specific case that of Slovenian and Croatian separatism, which were assisted by organizations from the West, especially Germany. The SSNO issued several orders, and several times we took initiatives to improve that effort. We had an additional difficulty in the fact that we were preparing for an external enemy, counting on the help of the media, but that was not how it was in Slovenia, and especially Croatia. Put simply, the rug was pulled out from under us."

[VREME] When did the unit begin operation?

[Radovic] In August and September 1991, it was already working feverishly. It began with the formation of press centers at the airports, and then TV crews in our academies and schools which had the necessary equipment and personnel. In the RV i PVO Command, we mainly hired people responsible for morale and the political effort. It turned out that we did not have enough people. In order to reduce our inferiority by comparison with Croatian propaganda. The Political Administration initiated the assembly of some broadcasting stations, so that the radio signal covered the entire territory of Croatia. That greatly upset the top political leadership there. TV Belgrade played a large role by leasing a satellite channel in October 1991, which made it possible for us to set up satellite antennas at airfields and garrisons. Thus, people could get their information from our side. We proposed that a TV center in Serbia simply be mobilized and then reinforced with our people to broadcast programming, using transmitters on Pljesevica, Celavac, Kozara, Petrova Gora, and so on, so that we were able to cover the entire territory of Croatia and a sizable portion of Hungary. That was not possible because war had not been declared. We were also carried away by the idea of setting up a radio station in the central part of the country from which we might relay the programming of Radio Belgrade and other stations which had a clear patriotic orientation, but also to produce our own programs. That was the birth of Opera, an entity of command and control, a substitute for the unit formed in wartime.

[VREME] To whom was Opera subordinate?

[Radovic] In wartime, it would have been subordinate to the assistant for moral training and legal affairs (to me, in the specific case), but we gave up on that because we saw that a single entity could not do that. "Desert Storm" had an impact on us—when there were dissonant tones in the West European media, everything passed over to the White House. The spokesman of the operation was not just some military official, but the commander in chief would appear personally. The effect of all that was to form a council for news-propaganda activity and psychological-propaganda actions at the level of the RV i PVO Command, to be headed by General Zivan Mircetic, deputy commander of the RV i PVO. The commander made the decisions on all crucial questions. Opera, then, was an element of the order of battle of the RV i PVO.

[VREME] Who were the staff members of Opera?

[Radovic] We have a council which directs and guides this activity throughout the Air Force, which provides the planning, financing, material support, and personnel for the effort. Opera is a part of the entire system, and at the same time it is our own press center for this region, immediately adjoining the Command. It is made up of several volunteers, several reservists, a number of officers who worked in the unit for moral training, as well as several civilians. The Security authorities checked out the reservists and the volunteers. Political entities, Security authorities, intelligence agencies, operational units, and rear units were involved, and we also consulted dozens of collaborators, high-ranking officers. The task was news-propaganda and, in part, psychological-propaganda activity against the enemy.

[VREME] What results were achieved?

[Radovic] From October 1991, when the unit was formed, to January 1992, when the truce took effect, we issued more than 200 various press releases, denials, reports, articles in the press, some of them ours, some of them ordered from TV Belgrade, Belgrade Radio, the newspapers, as well as the media in Podgorica, Sarajevo, and Skoplje, so long as that was possible. We worked a great deal to expose documents from the Croatia of the HDZ [Croatian Democratic Union] which they got published under various names, not the real ones, of course, in Belgrade newspapers. We received valuable assistance from two volunteers: Radenko Radojcic and Slavko Malobabic, who are now being tried unfortunately. In addition, we sent out about 30 TV stories into the world, and some of them were broadcast over 40 TV stations. We invested quite a bit of money and set up a powerful satellite antenna on the building of the Air Force Center in Zemun so that we might learn what the world was saying about us. Thanks to our press centers, the Air Force was open both to the domestic and foreign news media. In any case, we should emphasize that 98 percent of Opera's effort was public.

[VREME] What was secret?

[Radovic] Psychological-propaganda operations focused on Croatia. Their purpose was to weaken the morale of the troops, to cause confusion, to create the impression that KOS [Counterintelligence] was everywhere, an effort to oppose political forces there.... For example, through Admiral Brovet Gen. Radojkovic initiated the project of a news campaign that would explain to the population around Zagreb the danger if the ZNG [National Guard Corps] should attack warehouses containing components for the rocket propulsion of our missile systems deployed in that region. In various ways, we planted completely accurate figures on the environmental disaster which would occur in that case, and in addition we threatened that we would hit facilities around Zagreb and Sisak with the missile systems before they were destroyed. It was largely thanks to that project that all the missiles and systems of the RV i PVO were transferred to the territory of the FRY [Federal Republic of Yugoslavia].

We also made an effort on the territory of B-H [Bosnia-Hercegovina], where we told the Muslims what was waiting for them in an alliance with the Croats. The only operation on the territory of Serbia and Montenegro was the distribution of leaflets to support the meeting that was held in the Assembly for creation of the FRY. Even that is a secret. You can be successful only if the enemy does not know who is behind it. I would emphasize that Opera has nothing to do with commando operations, nor the Labrador affair, nor smuggling....

[VREME] Were the federal secretary, the chief of staff, and, in general, the top military leadership informed about the activity of Opera?

[Radovic] I do not believe that any entity of the SSNO had heard of Opera. That is the name of the unit. We did not report on the content of each individual leaflet. We reported on the nature of the effort and obtained consent, but it never occurred to me to speak about details in front of 40 or 50 people. Even I learned of certain things only after the war was over. To repeat, the work of Opera involved, among others, people from Security, and that was a good thing. They were only a part of the team.

[VREME] How was the Opera affair brought about?

[Radovic] It should be viewed in the context of everything that happened to the JNA [Yugoslav People's Army]. The affair is a toboggan for various jumpers—for reasons that lie in day-to-day politics or egoism. It has, above all, served Gen. Stevanovic and those issuing his orders to settle accounts with the generals of the RV i PVO. Thus, at one point there remained in the Air Force, in the narrow sense of the word, only two generals—Stevanovic and Ljuba Bajic. It seems that someone was bothered by our commitment to Yugoslavia, of which I am not ashamed even today. In order to realize the desire he had had over many years to take the post of commander of the RV i PVO, Gen. Stevanovic slandered people and chased from the Command such generals as Gen. Mircetic, who is five or six years younger than he is. Anyway, the retiring of that many generals is the biggest purge in the Army since the time of the Cominform. This was all done in the crudest way. As far as Opera is concerned, Stevanovic brought out of retirement Nedeljko Boskovic, who had done some incredibly stupid things while he was in Security. A man who had not been in Security for a long time was brought in to straighten out things, and in the end, after he discovered a "nest of spies" and "Tus' people" in the RV i PVO Command, he was given the rank of general. If Mircetic and I, as those most responsible for the work of Opera, are spies and traitors, why are we not being tried? That same Gen. Stevanovic gave a favorable assessment of the work of the Air Force in the war a few days ago in an interview with VECERNJE NOVOSTI. Aside from personal ambitions, there are also some deeper political reasons for removing us. The affair has gone on for nine months now, since March. Unprecedented means are being used, especially in the press. They tell us that we are Tus' people, and they have driven away those who did most to get Tus to leave the Air Force as soon as possible: Generals Jurjevic and Mircetic, Colonel Rakocevic, and I.

[VREME] How do you evaluate the investigation of Opera and the methods used?

[Radovic] When I turned over my post to my successor, we set out on a visit of the offices where Opera worked. Boskovic's people were already there sealing things, taking inventories, and, I later learned, making arrests. Gen. Stevanovic hardly listened to us at all as he was gathering reports. A media campaign began against us, Col. Rakocevic was prohibited from entering the building of the Command. The affair has gone on for nine months now, the people are being kept in jail, although the Constitution and law envisage that pretrial custody must be as short as possible. The press has accused us of treason and espionage, and it has been written that Opera is on trial, although the only people accused who belong to that unit are Radojcic and Malobabic. Col. Rakocevic was a member of the council. Opera is being used even today for political purposes (as some conceive the Army should be and how it should be "purged"), to obtain general's stars, and also for "cleansing" people's own guilt in this war by using the retired general and the "duty culprit" for everything—Opera.

[VREME] Who in your opinion is to blame for the affair?

[Radovic] Most to blame is the SFRY Presidency headed by Vice President Branko Kostic and the old and new chiefs of staff—Generals Adzic and Panic. Gen. Mircetic and I sent a letter to the Presidency in which we pointed out all these irregularities. We sent a copy to the chief of staff, and, although we know that the letter was received, no one has even shown the decency to at least return it to us. Contrary to the Constitution and laws, even those who are in prison, as well as we who have not had that "luck," are convicted in advance.

One of the important elements of the affair is probably the rivalry between security services. There are indications that there has been an attempt for the Army security service to be subordinated to state security, as was the case immediately after World War II. In any case, a putsch was carried out in the army with the assistance of the truncated SFRY Presidency.

[VREME] Frequent mention is made in the press of the business firm Opera Orientis, whose founder was a member of Opera?

[Radovic] There was an aversion to official news reports, and so Radenko Radojcic established a private firm which was supposed to serve as an independent firm oriented toward foreign countries. Also, our survival in Zadar and Krajina was in question, so that initiatives for forming an "airlift" existed on both sides. This was done by the firm Plitvice Orientis, of which Radojcic was a coowner. A legal contract was concluded with the RV i PVO Command for use of Opera's premises. Profit was not the main thing, but our presence in Krajina. We were interested in helping Krajina's economic development, and Borisav Jovic was informed about some of the initiatives. When the Vance Plan was adopted, it became important for us to be there through various projects which the Army would also further. The reason for forming a private firm was our military presence and presence in the economy, because this was the region where the line of demarcation would be drawn. We also wanted to restore a bit of order. Now everything is being interpreted quite differently.

[VREME] Do you know anything about the prison in the building of the RV i PVO Command in Zemun and about the treatment of those arrested?

[Radovic] The press has written about that, and no one has denied it. I do not know whether people were physically mistreated, but it would be proper for those in authority to answer that question. Much is being said about this, serious people say that there were beatings there and that confessions were extorted. In addition, knowing that Nedeljko Boskovic was reactivated only on 8 May (three days later, he was already a general), I wonder how he has been able since March, but perhaps even starting earlier, to rule the roost in the Air Force Command? In any case, Gen. Zivota Panic, as the chief of staff, is also responsible for this kind of harmful atmosphere to persist for nine months now.

Banks' High Interest Rate System in Danger

93BA0515A Belgrade NIN in Serbo-Croatian 15 Jan 93 p 32

[Article by Dragan Cicic: "Don't Get Annoyed, Saver"]

[Text] The mountain has labored and brought forth a mouse. This Latin saying is also the tersest description of the dramatic announcement of first the upward jump and then the fall of the level of interest rates at Jugoskandik and Dafiment, Serbian institutions which in many respects are among its most important.

This saying could not, of course, be applied at all under the world's standard business and financial conditions. The drop in the interest rate from 14 percent to 10 percent (at Jugoskandik) or 11 percent (in Dafina's bank) would in the United States, for example, cause tectonic disturbances on the market, and they would have far-reaching consequences. But here, it has long been known, such customs do not apply.

A few months ago, NIN—nor was NIN alone—attempted with the help of economic experts to unriddle the mystery of how Jezda and Dafina conduct their business. All explanations and theories came down to one basic thing: It is most likely that this is a kind of "chain letter." The person who invests money in that kind of system today realizes his profit at the expense of those who put their money in tomorrow; the latter in turn realize it from those who put it in the day after tomorrow.... The system breaks down when there are no new investors, which usually happens rather quickly, because the people at the top of the chain stop reinvesting, i.e., stop taking part in it as soon as they realize their profit.

Jugoskandik and Dafiment, however, have survived more than a year. Above all, because it is not all that easy for their customers to drop out of the chain.

"My pension is 60,000 dinars, and I had to deposit my savings with Dafina; otherwise we would not have money to buy bread," says Milan, 58, a retired worker. No, he will not withdraw his investment, because in practice he is living off the interest.

Gold "Backing"

There are, of course, also those who are better off and who saw this original banking system as a kind of roulette in which the odds of winning are far higher than indicated by mathematical probability in an ordinary casino, but their withdrawal from the game does not hurt the system all that much, because the fuel that drives it comes from small savers with deposits from a few hundred to a few thousand marks.

Why, then, was there any need at all, within about a month, first to raise and then to lower interest rates? Even if there were no other outflow from the system, the immensely high interest itself, which might perhaps more appropriately be described here as winnings, compels the need to constantly increase the number of savers, i.e., the number of deposits.

"Such systems can exist only so long as they are growing," says Prof. Danijel Cvjeticanin. "As soon as they begin to stagnate, they fall apart."

The sudden raising of the interest rate to 14 percent could have meant that a month ago the system had begun to stagnate, and the higher rates of interest were necessary to attract more people. On the other hand, the "significant" drop of interest rates was announced a week in advance, so that potential savers had to hurry to deposit their money in order to "catch" the higher rates.

However, the interest rate maneuver itself shows that the system has gotten into trouble, i.e., that its life is running out inexorably. Something else to support this hypothesis is the present insistence on time deposits for at least 90 days and also the fact that Master Jezda has been offering gold coin as a pledge for the new deposits. In the amount of 75 percent of the value of the deposit, which is logical and means that such savers, if the collapse comes soon, will be in the position of people who have bought gold at a price 25 percent above the market price.

The New "Old Savings"

At Dafiment, they have often been saying recently that when the bank can no longer pay the immensely high rates of interest it will not collapse, but will simply lower interest rates to the level customary in the rest of the world. However, that would imply that the principal collected from the savings depositors has at least not been eaten away, i.e., that the investments have brought at least as much profit as the bank has paid out in interest. It follows that the money has been invested in transactions that bring a profit rate of at least 10 to 15 percent per month, that is, higher than 200 percent per year. Unfortunately, that kind of business simply does not exist. In the world at large, no lawful business yields a profit greater than 20 percent per year, and it would be hard even for the illegal activities that have so far been conceived to approach a profit more than 10 times greater than that. Put simply, if the definition of a bad investment is that it yields a smaller profit than the interest that one would obtain if the funds were deposited, every investment is a bad investment for the superbanks. And that makes it quite logical to hold immense quantities of cash idle, i.e., to show the vaults full, which on one occasion Dafina even arranged with cameras: In such a system, the money loss is least when it is not invested in anything.

It seems that the preparations are already being made for the end, whatever it might be (perhaps by another conversion to "old savings"?). Recently, in DNEVNIK of Novi Sad Slavko Culibrk, finance minister in the Serbian government, distanced himself from the entire operation: "That money is being used to finance illegal trade and speculation; that is the only way such high rates of interest can be realized."

The case of Sandi Grubelic of Slovenia, which already has been forgotten to some extent, has the effect of a warning: This is the man who at one time organized a system for an incredibly favorable purchase of a car: The other day he was pardoned.

What will happen in the meantime to the function of a social welfare institution which Dafina and Jugoskandik have been performing so successfully? Probably some new institution will be conceived which at the same time, insofar as is possible, will garner for the government the foreign exchange which individuals still hold and which it needs so badly. When it comes to that, a great deal of inventiveness has already been displayed in this area.

And probably the public is already better prepared for the end of the banking dream than ever before. In answer to the question of what will happen if she does not get back her deposit, Marija, a university student (21), says: "Nothing, I have lost so much already, it does not matter."

Serbia

Milosevic Signs Disputed Election Law Amendments

LD0102160393 Belgrade TANJUG in English 1544 GMT 1 Feb 93

[Text] Belgrade, Feb 1 (TANJUG)—Serbia's President Slobodan Milosevic on Monday [1 February] signed the disputed amendments to the republic's law on the elections of MPs [members of parliament] for the federal parliament's Chamber of Republics.

These amendments envisage the election of MPs by the majority of votes and not under the proportional system—according to election results, as had been the case so far.

Serbia's parliament had adopted these amendments on January 27 by summary procedure after the MPs of its six opposition parties left the session. The amendments were hence adopted by the deputies of the Socialist Party of Serbia (SPS) and the Serbian Radical Party (SRS), the two strongest parties in the republican parliament.

Owing to the change, 12 SPS and 8 SRS MPs were elected to the federal parliament's Chamber of Republics.

Vuk Draskovic, the leader of the Serb Renewal Movement (SPO), the strongest member of the opposition Democratic Movement of Serbia (DEPOS), on Friday said DEPOS would boycott the work of the Serbian parliament if President Milosevic signed the disputed amendments.

On behalf of the Fund for the Development of Democracy, lawyer Milenko Radic on January 28 contested the amended law and the Serbian assembly's decision in the Serbian and Yugoslav Constitutional Courts.

The Socialist Party of Montenegro (SPCG), an opposition party in the Montenegrin parliament, on Monday sharply reacted to the Serbian assembly decision to amend the respective law.

SPCG requested that the Montenegrin parliament on Tuesday open a procedure to adopted "protective laws" which would protect Montenegro, the other Yugoslav republic, "from the federal bodies' irresponsible and violent policies".

The SPCG said such laws were necessary "because the two majority parties in Serbia have illegally altered the results of the elections in the republics, and thus turned the Chamber of Republics, the only federal body in which the two republics' equality is guaranteed by parity, into the SPS' and SRS' voting machinery".

Serbia and Montenegro each have 20 MPs in the Chamber of Republics. The SPCG, which has 5 seats in the Yugoslav parliament, also asked that the Montenegrin assembly discuss the legitimacy of the new Chamber of Republics and decide whether Montenegrin MPs will take part in its work.

Sandzak Security, Business Activities Discussed

93BA0502D Belgrade VOJSKA in Serbo-Croatian 7 Jan 93 pp 6-7

[Report on separate interviews with Kosta Jovanovic, chairman of the Novi Pazar Opstina Assembly, and with Maj. Bratislav Gojkovic, commander of the Novi Pazar garrison, by Risto Kostov; place and date not given: "Between Peace and Business"]

[Text] *Two key figures in the preservation of peace in Novi Pazar and the surrounding area—the commander of the VJ [Armed Forces of Yugoslavia] garrison and the chairman of the Opstina Assembly—respond for VOJSKA to the same questions about the current situation in the opstina that is regarded as the center of political and economic events in the Raska region (Sandzak).*

The situation in almost all of the Raska region (Sandzak) depends largely on the situation in Novi Pazar, according to people well-acquainted with conditions in that part of the country. Novi Pazar is currently a major commercial center in which, besides Orthodoxy and Islam, many partisan interests are clashing and colliding—some, unfortunately, with anti-Serbian and anti-Yugoslav goals. Nevertheless, peace has been preserved.

Considering that the chairman of the Novi Pazar Opstina Assembly, Kosta Jovanovic, and the commander of the Novi Pazar VJ garrison, Maj. Bratislav Gojkovic, are two key figures in the preservation of peace in Novi Pazar opstina, where no one denies that almost everyone is well-armed, we decided to pose the same questions to these men in separate interviews.

Charged But Safe

[Kostov] What is your assessment of the security situation in Novi Pazar opstina?

[Jovanovic] It is quite logical that there are certain consequences of the war in the former republic of Bosnia-Hercegovina in terms of the psychology of people in Novi Pazar, because Muslims and Serbs are fighting there, while here too Muslims and Serbs live together. The effect of that war is being felt—but now that effect is already positive, because people have grasped the negative side of war. Given the fact that the opstina no longer has the authorities that it did before, and thus no complete data on the security situation, I can explain how the political situation affects security. There are seven parties in Novi Pazar, but some of them do not enjoy popular support. It is known that the political goal of the SDA [Party of Democratic Action] is to create certain other state elements in this region. I think that the citizens have realized that the best thing to do is to look to their work.

There have been no excesses, and thus the security situation can be deemed satisfactory.

[Gojkovic] I will talk about the security situation within the framework of the zone of responsibility of the Novi Pazar garrison, which covers an area larger than Novi Pazar opstina. Based on the number of minor incidents in the garrison's zone of responsibility, but also thanks to the fact that I have had access to MUP [Ministry of Internal Affairs] information on criminal charges that have been brought, it can be stated that there has been no interethnic conflict and no major incidents. Thus, I believe that the security situation is currently good.

However, it is a fact that both the Muslims and the Serbs are armed. This is something that cannot be seen, but is reliably known to be true. A certain cooling in relations between the two nations is also being sensed. Over the past three and a half months, since I have been in charge of the Novi Pazar garrison, I have felt that because of this the security situation is charged, laden with a certain sense of expectation. That is primarily the result of activities by extremists in this region.

As far as the attitude toward the Armed Forces of Yugoslavia is concerned, there has been no open provocation in Novi Pazar opstina, although part of the barracks is surrounded by Muslim residents. One of the minor incidents occurred when sentries had to fire at the tires of an automobile whose Muslim driver refused to stop when instructed by soldiers to do so near our facilities.

Otherwise, for example, soldiers and officers in Novi Pazar can walk around in uniform and enter public buildings without any problem.

Armed Forces Justify Arrival

[Kostov] To what extent are members of the Armed Forces of Yugoslavia influencing the preservation of peace in Novi Pazar, and to what extent are civilians doing so?

[Jovanovic] With regard to the armed forces, there are various views and interpretations in this region. However, the Coordinating Body of all seven parties in Novi Pazar concluded last summer that the Armed Forces of Yugoslavia is having a good influence on the situation in this region. In addition, Maj. Gen. Dragoljub Ojdanic recently explained before a large circle of people the essence of the arrival and presence of the Armed Forces of Yugoslavia, which returned to this area in March 1992. The contacts and lunch arranged by Commander Bratislav Gojkovic for Novi Pazar businessmen had a major effect. It is obvious that communication between people destroys all barriers. All in all, the Armed Forces of Yugoslavia have achieved their goal in coming—to keep war operations from spreading from Bosnia-Hercegovina to Novi Pazar.

As far as civilians are concerned, I can only comment on what the Opstina Assembly has done, in other words the legal institutions of power. Although the elections in June of last year were boycotted (only 25 percent of the citizens voted), so that the Assembly was practically monoethnic (only two of the 30 deputies are Muslim), government is fully operational. Citizens and businessmen come from 26 local communities, including six urban ones, in order to work together on solving some of our problems. I do not know if there is some other "silent" governmental authority in Novi Pazar, but we in the legitimate government are working on solving all urban and municipal problems. In that sense, we are having a powerful effect on reducing tensions.

[Gojkovic] The influence of the armed forces in Novi Pazar is great in the preventative sense, primarily in cooling off hot heads. We are aware of the stormy reactions of some Muslims to the fact that there are several tanks above the barracks, or rather above the city. The tanks are on military property, the military must do its duty, and the reaction by some Muslims was prescribed by the extremist wing of the SDA. I think that even they can see that we are here in order to preserve the peace and integrity of the country.

As far as civilians are concerned, there is a small number of them who are having a negative effect on the preservation of peace. Generally speaking, the atmosphere surrounding the armed forces is friendly. The first contacts that I had with citizens and the managers of working collectives were at a warm reception. Previously, the military in this region was cut off from contact with the citizens, separated from city structures and even from the legitimate institutions of government—it was practically excluded from all events in the city.

In the meantime, we have established an exceptionally good level of cooperation with many managers of local enterprises. Thus, there is the cooperation with Izet Ljajic, the director of the Enterprise for Roads, which helps us a great deal in maintaining the roads during the winter season. We also have excellent cooperation with Enes Corovic, the director of the "Raska" Textile Combine, with Novi Pazar businessmen.... In all of this we must say clearly that we do not establish cooperation with just anyone and at any price. We do not contact enemies of the Armed Forces of Yugoslavia and of our country, whose greatest effect lies in the failure of Muslims to respond to recruitment callups. The joint actions between the Novi Pazar Opstina Assembly and representatives of the military are of lasting value.

[Kostov] What is your assessment of the response thus far by Muslim soldier-recruits? Are judicial institutions doing their work here in a timely and appropriate fashion?

[Jovanovic] The very poor response by Muslims is part of the overall lack of discipline and response to military callups in Serbia. An analysis must be done of how many people have been sentenced for failing to respond to military callups. I think that the rule-of-law state has scheduled this.

[Gojkovic] The response of Muslim soldier-recruits is extremely poor, or more precisely, it is nonexistent. It is known that in the next to last contingent of 177 draftees only two left, and one of them quickly returned for health reasons. The response by Muslims is not poor because those boys do not want to enter the military; rather, it is because of fear. They are threatened by the extremist part of the SDA leadership. We have Muslim soldiers in our barracks in Novi Pazar. They are treated equally and are good soldiers.

I must emphasize that a horrible crime is being committed against young people who refuse to perform their patriotic duty whenever anyone prompts them to commit such criminal acts, for which they will have to answer.

Disarmament as Soon as Possible

[Kostov] Will the disarmament of the population be starting before long? Whose job is that?

[Jovanovic] I have no personal knowledge of the weapons status of the population of Novi Pazar, but there have been several statements by persons who know that the population is armed. This is a problem under the jurisdiction of the MUP. The best thing would be to disarm these people as soon as possible.

[Gojkovic] The sooner the disarmament of the illegally armed population begins, the better. It is a fact that they are armed. Whose job is it? It is certainly not the military's job. This very complicated job is under the jurisdiction of the MUP, which can count on cooperation with us in terms of know-how, but not in an operative sense. The rule-of-law state must function, just as penal policy must be tightened up significantly. If a deadline is established for the return of illegally acquired arms and someone does not meet that deadline, and the punishment is several years imprisonment, then the results will be certain.

[Kostov] Novi Pazar is a major commercial center. To what extent are private businessmen generating peace and having an effect on its preservation? Does this involve interests that are contrary to those of the state?

[Jovanovic] Private business in Novi Pazar is breaking down barriers. The problem is that there is probably lots of money that is "bypassing" state institutions in an uncontrolled flow. I do not have any information about whether certain other interests are in conflict with those of the state. I know for certain that people have once again started coming here.

[Gojkovic] The Novi Pazarians are true businessmen who even own small factories. Thus, through their personal interest they are having an effect on the preservation of peace. If someone has invested 100,000 or 200,000 marks, then it is in his interest to preserve the peace and his financial capital.

But as far as the problem of some of the income flowing into the SDA coffers is concerned, I think that that is in the realm of the hypothetical. The MUP is in charge of such problems.

Increasingly Objective News Services

[Kostov] What is your assessment of the media's reporting on Novi Pazar, peace, tensions...?

[Jovanovic] There has been a lot of nonobjective and superficial reporting from Novi Pazar and about it. Journalists often come and imagine that in 24 hours they have learned about all the problems. I feel that the reports and commentaries from this area are increasingly objective.

The Uzice Corps information center is a positive source of information for the public, in the struggle against disinformation. Its presence is felt.

[Gojkovic] Aside from certain party mouthpieces, such as the journal SANDZAK, which is bent on rabble-rousing, the reporting on Novi Pazar, peace, tensions, etc. is generally good. We have an especially good level of cooperation with Radio Novi Pazar. In reporting information from the military, that radio station has helped allay fears on many occasions. Also accurate are the correspondents for daily newspapers from Novi Pazar. However, traces of the previous period are felt, when some journalists, after being turned down repeatedly in their attempts to learn more about events linked to the military, generated prejudice and no longer turned to military sources. We are on our way to getting them back into the groove of good cooperation.

I think that the publication VOJSKA should continue to write in an analytical, objective, and well-argued manner, as it has done up to now. I know that it is read attentively even in the SDA.

Proper Actions by CSCE Mission

[Kostov] What is your assessment of the activies thus far by the CSCE mission with its permanent headquarters in Novi Pazar?

[Jovanovic] When the CSCE mission came to Novi Pazar more than two months ago, I was not happy about it. They first came to talk with me. At the time I told them that I felt that we did not need them, but that I would respect the decision by higher institutions of power. I promised them a proper attitude, and the opening up of conditions for work. I asked them to respect the facts, to "go out among the people." And I can tell you that both Douglas Dobson and especially Valentin Incko, the current head of the mission, are very proper. They insisted that the Muslims participate in the elections, and recently **Valentin Incko** stated publicly, "There will be no war here, only business. If certain minor tensions disappear, the CSCE mission will be able to pack its bags before long."

[Gojkovic] I will not go into the justifiability of the CSCE mission's stay in Novi Pazar, but I have had a positive experience in my dealings with them thus far, based on several joint actions to clear up points of contention that could have turned into a problem between Serbs and Muslims. The members of the mission, especially Valentin Incko sensed that we respect the facts—that there is no deception and that someone else is doing that.

That is how it was when they heard and wanted to verify whether Novi Pazar was "occupied and surrounded by 28 tanks with their barrels aimed at the center of the city." Around 40 minutes after the call, because I first visited them in the center of the city where they are staying, we were next to the three tanks that we have at positions above the city, and together we verified that these were simply rumors. The CSCE mission also participated in clearing up an incident in Golice when a guard was forced to fire shots into the tires of an automobile, as well as during the ricocheting of two artillery shells. On several occasions Valentin Incko has told the truth on the airwaves of Radio Novi Pazar and has contributed to the easing of tensions created by extremists.

Secret of Seselj's Ascent Discussed

93BA0504A Belgrade VREME in Serbo-Croatian 28 Dec 92 pp 24-26

[Article by Nenad Lj. Stefanovic: "Claimant to Leadership"]

[Text] Analyzing the results of the presidential election in Serbia held in December 1990, a fellow journalist at the time proclaimed Vojislav Seselj, who placed fourth, the "moral victor" of that election. In that election, Seselj received 100,000 votes, although at that time he did not conceal that his Serbian Chetnik Movement had no more than 10,000 members, if that many. "Anyone who gets a vote 10-fold larger than the membership of his party must have a pretty good political future in Serbia," that same colleague concluded at the time.

On the eve of that election, Belgrade was mainly making fun of the group of quasi-Chetnik fanatics who were holding rallies even during the biggest blizzard in front of the Zagreb restaurant (today renamed the Russian Czar) and amusing itself with stories about their having at each other with baseball bats. At that time, Seselj himself was mainly described and perceived in personal terms as a "grotesque figure" and disappointed man who, as the youngest Ph.D. in communist Yugoslavia, instead of a brilliant university career had become one of Yugoslavia's best-known prison inmates. Just before the 1990 election, Seselj was again in prison because he had been signing up volunteers for Knin, and memory recorded that he signed the consent for his own presidential candidacy before members of the republic election commission while escorted by prison guards. After he signed the consent, they took him back to jail.

Ten to One

In an interview he gave just a few days before this year's election, Vojislav Seselj said that his Radical Party [RS] has more than 100,000 members, which very few people believe. The election results, however, show that when it comes to Dr. Seselj, that "10 to one" formula still seems to hold. According to all estimates, this time his party far exceeded the figure of one million votes, rendering utterly meaningless all the election forecasts—from the competitive one in the coffeehouse to those done by research teams and experts of various agencies for studying public opinion. This time Seselj's victory was not "moral," but looked more like the real thing.

Commenting in a press conference on the first election results and success of the Radicals, who obtained almost 30 percent of the seats instead of 15 percent (they were supposed to get), Zoran Djindjic, one of the leaders of the Democratic Party [DS], briefly replied: "This is something that borders on the improbable." For Djindjic and many others, it is all still more unlikely when one realizes that on the eve of the election the Radicals actually had not conducted a true (or at least visible) election campaign, they had not held a single rally, they had spent the least on marketing, and all the free TV time to which they were entitled Seselj himself used to praise Milosevic and to satanize Panic. Researchers acknowledge that the Radicals are the party of surprise and explain—either we made a mistake, or the results were fixed, there is no third possibility.

Only subsequent analyses of the last election will show how it was that Seselj once again flew by "unnoticed" beneath the radar, surprising even those who considered him their "troops in reserve." It seems that everyone was looking for the Radicals where they could not be found—in a strong and large party, but they were not there (in spite of the assertions of 100,000 members), with the exception of the well-organized nucleus of that party, which does not have much of a public presence or receive much public exposure. On the other hand, their numbers are exceptional where few people anticipate it—in the bodies of government, the police, and among officers.... Those with good memories will certainly recall the time when in the runoff parliamentary election in Rakovica a year and a half ago Dr. Seselj triumphantly beat Borislav Pekic, a Democrat and candidate of the SPS [Socialist Party of Serbia] and one of the greatest Serbian writers, as well as the election scenes when in public a retired colonel of the JNA [Yugoslav People's Army] and member of the SKPJ [League of Communists—Movement for Yugoslavia] gave his vote to the Chetnik vojvoda in front of members of the commission.

In this election, Vojislav Seselj and the Radicals receive mainly the votes of those who identified with the government and at the same time hankered after its more radical variant. The surveys were not off the mark in finding that the electorate and the SPS and SRS [Serbian Radical Party] coincided in at least 70 percent of the cases, that is, that for all practical purposes this is one and the same electorate. Had the Radicals not participated in the election, the SPS would have received 75 percent of the vote instead of its present some 40 percent. And the other way about.

The rather numerous, but by all appearances dispersed army of Radical followers should also include a large number of those who have passed through the SPS and, disappointed with the "slowness" of this party to quickly "resolve" the Serbian nationality question once and for all, turned to the person who always has simple, quick, and "victorious" solutions and who always uses the thesis of "all Serbs in one state," not only when the occasion arises. Confidence was also placed in the Radicals by those who feel spent and defeated by this situation and cannot understand what is happening to them and seize upon explanations which restore an illusion of greatness. Also included is the increasingly numerous lumpenproletariat which makes its choices out of desperation and many of those who have tasted war and in it, through various paramilitary structures and the uniforms and ranks they receive, discovered their own importance for the first time in their lives. And then, of course, there are also the thousands of those for whom the only effective political advertising was the message "The Radicals are throughout the Serbian lands," and the pictures of the uniformed vojvoda striding in mud and blood to his knees on the battlefield. Seselj's option also received the votes of a majority of the 230,000 refugees registered to vote, and quite certainly a by no means negligible number of those who responded with spite to the shabby and stubborn insistence of the West on exclusive Serbian guilt for everything that has happened in these past years on the soil of the former Yugoslavia. Least of all among the followers of the Radicals are the people who truly belong to the right-wing Pasic Radical orientation to which the SRS alludes. There is no such party of compromise and moderate Serbian conservatism on the political scene of Serbia, and Seselj's Radicals are far from that.

The Most Cherished Congratulations

Both after that first election in 1990, before which Milosevic had sent him to prison, and after this one, which has firmly set him up on both feet as an indisputable political force in both parliaments, Dr. Seselj was the first politician to send congratulations to the winner Slobodan Milosevic. The first time as an unsuccessful presidential candidate, now as a possible coalition partner and potential minister of the army, the police, or even prime minister, as is being mentioned in some places.

Although at least officially they occupy quite opposite polls of the Serbian political scene (one is supposed to be a leftist, and the other a rightist), Milosevic and Seselj are quite natural political partners who have exceptional respect for one another. The last time Dr. Seselj spoke unfavorably of the incumbent party was in early July 1990 in an interview with VJESNIK of Zagreb, when he expressed fear that "the present communist regime is able to attract a sizable mass of inhabitants over to its side with a few demagogic speeches of its leaders." At that time, the Chetnik vojvoda advocated a coalition of opposition parties. Since the 1990 election, Dr. Seselj has almost never uttered a single harsh word about the government. True, in June of last year he did say in NIN that "they have become arrogant since the '90 election" and that they were tardy in removing the monopoly of the regime over the news media, and he has always spoken of Milosevic in choice superlatives. The key sentence which explains the nature of relations between the SPS and SRS, as well as the riddle of all the dilemmas as to whether and how a coalition of these two parties is possible, Dr. Seselj uttered this past May: "We are collaborating with the SPS, supporting its endeavors to change itself. As for reproaches that we are excessively inclined toward the SPS, I say that we have not changed anything in our program, but perhaps others have inclined in our direction." And in his first postelection interview, which he gave the other day to journalists of VECERNJE NOVOSTI, from his hospital bed (he did not allow photographs because "it is not fitting for a Chetnik vojvoda to be seen lying in bed"), Dr. Seselj in a way announced what his party would be striving for in the future, as it has up to now, with all its strength, and what at the same time it would seek from its political partners. "...First, the FRY [Federal Republic of Yugoslavia] will have to recognize those two Serbian states (the Serbian Republic and the Serbian Republic Krajina—author's note). By their sovereign will, they will then adopt decisions on annexation to Yugoslavia as two federal units."

Milosevic has never expressed a single unfavorable opinion of Seselj. Their only collision, which was indirect, was the decision of Serbian authorities to put Dr. Seselj in prison for a time in October 1990. From that time to this, the leader of the Radical Party has, for example, been the first member in the history of the Serbian Philosophy Society to be expelled on grounds that "no philosopher in Serbia has called for murder, and no member of the society can be an advocate of fascist ideas"; last May in Valjevo, he openly admitted that members of his party are armed and purchased their weapons abroad, which is prohibited even today; he has threatened the Macedonians with massive reprisal, he promised Sarajevo demonstrators that "they would be punished by a decision of the appropriate bodies of his party"; he was the first politician to openly display weapons on TV and explain the operation of the Thompson automatic rifle, whose "victims' eyes fall out" when they receive a round from it in the head; in the Serbian Assembly, he insisted on the expulsion of Croats (on the principle of retaliation), promising that he would in fact carry out that program when he comes to power; several times in the streets of Belgrade he has pulled out a weapon or watched his bodyguards do so. Slobodan Milosevic has reacted only once to all these acts of Dr. Seselj, which are incompatible with any variant of the socialist idea for which he stands, and that was in March of last year in a newspaper interview when he explained that he esteems the leader of the SRS, the successor to the Serbian Chetnik Movement, more than any of the other opposition leaders because he has been "consistent in expressing his political opinion" and because "he and his party are independent of financing from abroad."

Certain analysts noted at the time that Serbia is the only country in which such sympathies publicly expressed have no consequences whatsoever for the chief of state. Seselj was at that time compared to Le Pen, and many wondered, for example, how the Socialist Mitterrand would fare with his own public if he were to praise the "consistency" of the extremist French right-winger? Serbia is, of course, not France, still less is Slobodan Milosevic Francois Mitterrand, and least of all, it seems, is Dr. Vojislav Seselj Le Pen. In any case, in his best days Le Pen succeeded in taking "only" 10-15 percent of the total electorate.

Regardless of the earlier underestimation and certain current dilemmas about the true nature of the political orientation of the Serbian Radicals, it is becoming clearer and clearer that Dr. Seselj was at one time the first to fill the previously empty, but today rather full, space on the extreme Serbian right, retaining at the same time a fair dose of extremism. Today, when his party is entitled to 30 percent of the seats in the Serbian and federal parliaments (a higher percentage than the extreme right has anywhere in Europe), Dr. Seselj is definitely ceasing to be a marginal politician who until yesterday was underestimated by many of his political opponents, who truly can be reproached for inconsistency, inconstancy, and inability to formulate a true alternative to the present disastrous Serbian government. With Seselj in power perhaps there is no democratic future for Serbia, but without him and his followers in Serbia no outcome at all is possible.

Srbobran Brankovic, M.A., of the Institute for Political Studies, reveals another component essential to understanding the election success of the SRS and the very widespread identification of this party's goals with the goals of the SPS, which obviously occurred in this election.

That institute has for months been measuring the rating of political figures on the so-called Likeret scale, which means the average opinion of a person held by the entire political public. This graph has been used for a long time now to record the almost identical and parallel trajectory of Milosevic's and Seselj's ratings, almost from the moment war began in Croatia. "Dr. Seselj made a visible leap on that scale and kept pace with Milosevic, which can only be related to the sudden change in the attitude of the government-controlled media toward him," Brankovic said. "If we are to believe the first election results, the moment is coming when Seselj has definitely come dangerously close to his model. It remains to be seen whether this will increase his political appetite and how Milosevic will take this uncomfortable competition and dangerously close approach of the person who until recently was only the person for whom he had the greatest liking."

Zastava Auto Factory Director on Sanctions

93BA0516B Belgrade BORBA in Serbo-Croatian 18 Jan 93 pp 12-13

[Interview with Dr. Radoljub Micic, general director of Crvena Zastava in Kragujevac, by BORBA; interviewer, place, and date not given: "There Is No Foreigner Who Would Not Like To Have Us"]

[Text] We pray to God that Yugoslavia's isolation ends no later than the middle of this year. If it lasts longer, Zastava Group has nothing to hope for on the world automobile market. The question then will be: Will we be able to keep pace in development and technology with the best-known foreign manufacturers?

This in a rather free paraphrase is what Dr. Radoljub Micic, general director of Zastava in Kragujevac, answered to BORBA's question: How much will the blockade cost our only automobile factory? In addition to the international sanctions, Dr. Micic said, last year's business performance of this firm was also decisively influenced by termination of the 30-year-old cooperation with partners and subcontractors from the republics that seceded from Yugoslavia, above all, Slovenia and Croatia.

"A third of the 39 joint stock companies that make up Zastava Group ended last year with a modest profit, another third came out even, and a third will record large losses," Dr. Micic said. "Taken as a whole, the losses will not take away more than 10 percent of Zastava's socialized capital, and that still will not result in a major ruination of socialized property. Because of everything that happened in 1992, it was very difficult to preserve essential performances in automobile production, especially over the long term. I would say that under the conditions of the blockade a large number of the companies have maintained their ability to resume production normally after the borders are opened. There are differences, however, from one company to another. Zastava Trucks, for example, is having its greatest difficulties because cooperation with Ivek has terminated, but here in fact it has an immense advantage over Zastava Automobiles, because the foreign partner is ready to come back to Zastava just as soon as the sanctions are removed. We are, in any case, maintaining contacts with foreign partners, none is in a position to withdraw, but they are waiting. There are joint stock companies in Zastava in which foreigners are interested, but in Zastava Automobiles, for instance, they will have to wait six months after removal of the sanctions to sign contracts establishing joint ventures."

[BORBA] Is it enough just for the blockade to be removed for Fiat, for example, to come to Kragujevac with capital?

"We have already had preliminary talks with the Italian partner about that. But certain important preconditions have to be met. In any case, it is much better for the Yugoslav partner to enter a joint venture without foreign debts and surplus manpower. As for foreign exchange debts, with the help of the government Zastava has discharged all its foreign debts to Jugobanka, which, along with the National Bank of Yugoslavia, will continue to pay foreign creditors after the sanctions are removed. And if we are also able to get rid of the real surplus of manpower, there is no foreigner who would not like to come into that kind of joint venture. There will be no layoffs at Zastava as long as the sanctions are in effect, because even under the law we are not allowed to do that. We have requested from the government of Serbia 3.2 billion dinars which we will pay to workers who have a personal interest in leaving the factory on their own."

Zastava Group has yet another big job ahead of it—redesigning its development and business strategies. The capacities of Zastava Automobiles were built to the measure of the second Yugoslavia, with its population of 23 million. Every year, between 200,000 and 220,000 cars left Kragujevac for that size market. The present

Yugoslavia has half the population, which in Dr. Micic's judgment means reducing the output of automobiles to about 120,000 vehicles.

"Everywhere in the West, where the measure of success is profit, no one would have behaved like we have under the conditions of the blockade. Every company would have laid off its workers. We live in a different system, and we are not able to do that. Zastava Group has taken upon itself the role of getting from the joint stock companies the most it can and relying in part on the government of Serbia. It is inaccurate that Zastava has been nationalized. The intervention of the government, through the development fund, did a good job for both partners. But the state has become the owner of less than 1 percent of the capital in the joint stock company Zastava Automobiles," Dr. Radoljub Micic said.

The help of the government in rescuing large companies is not a phenomenon unknown in the outside world. Dr. Micic cites the example of the U.S. Chrysler Corporation, which in 1979 received $1.5 billion from the U.S. Federal Government and $250 million from the states where this company's plants are located, and suppliers rushed to help with $180 million.

[BORBA] There have been numerous unknowns and quandaries associated with transformation of Zastava's ownership.

"We entered upon that process faster than others, we are not altogether satisfied, and the entire matter has not yet been taken to the end," Micic said. "We will be happy when the capital is also in private hands. For the present, all we have achieved is to have identified who possesses the socialized capital. In most of the companies, 100 percent of the socialized capital is owned by the leading company Zastava D.D. [Zastava Joint Stock Company]. To be sure, we do have several companies in which foreign capital has already been invested: Zastava Trucks, the foundry in Topola, 5 Septembar in Surdulica.... The second step is for us to 'translate' the present limited liability company to the rights of a joint stock company. We will achieve that when private individuals here and foreign investors buy the present socialized capital. Our objective is to sell at the real value, and not to give socialized capital away. The key in all of this is for us to sell Zastava D.D. itself, as the leading company, to the largest possible number of stockholders. To be sure, even now we have about 1,500 of them, but what they own represents only 1 percent of the total socialized capital of Zastava."

Macedonia

Gligorov Seeks Dialogue With Serbs, Greeks

AU0102105193 Belgrade NIN in Serbo-Croatian 22 Jan 93 pp 50-53

[Interview with Macedonian President Kiro Gligorov by Svetislav Spasojevic; place and date not given: "Agreement Builds the Balkan House"]

[Text] The direct reason for interviewing President Gligorov is the worry of the Serbs in Macedonia, particularly in Skopje Crna Gora, over their future. This issue has recently been discussed by many Belgrade and Skopje newspapers. Are the Serbs in Macedonia justifiably dissatisfied with their treatment, or is it actually the new circumstances that they cannot get used to?

In this interview Gligorov discussed the issues of the international recognition of Macedonia, the Greek troops being stationed at their northern borders, the Albanian issue....

[Spasojevic] Mr. Gligorov, the main question in Macedonia is: When will Macedonia finally be recognized?

[Gligorov] That question is really the most important in view of our present situation. The answer to that question is important for peace in Macedonia, and even in the Balkans. The events that we are witnessing lead to the conclusion that more and more countries consider recognition to be inevitable. In the EC only Greece opposes recognition. Although the problem remains unresolved in the EC, opinions have started to change. Edinburgh showed, for instance, that the Lisbon declaration is no longer tenable. In Edinburgh it was advised that international financial institutions should open their doors to us. The executive board of the London-based European Bank for Reconstruction and Development of East European countries decided to recommend to the Council of Bank Governors to take Macedonian membership into consideration. The IMF has also offered us membership, and so has the World Bank. When we join all those institutions, it will be much easier to attract foreign investors. In financial terms, things move slowly but surely forward. If we consider how many countries have accepted the Macedonian passport so far, then we are already recognized. Among other countries, Italy has recently opened a consulate in Skopje. Other countries are also interested in doing so. We already exist as a state in reality. Macedonia is not at war. We do not have questionable borders with any of our neighbors, and the fact that in the last two years Macedonia has managed to preserve its peace is also proof that we already exist as a state.

[Spasojevic] You talk about peace, and in your close neighborhood, your former motherland, war rages.

[Gligorov] There are three conditions for establishing peace on the Balkans. The first is, of course, the instant termination of war in Bosnia-Hercegovina. The second is the recognition of Macedonia, and the third is finding a peaceful solution for Kosovo.

[Spasojevic] You mean Kosmet?

[Gligorov] The recognition of Macedonia would restrict the struggle for peace in this southern region to Kosovo alone. It would be the precondition for Serbs and ethnic Albanians in Yugoslavia to sit down at the same table and start seeking solutions that would be acceptable to both sides. War must not be the solution. It would be a tragedy for all peoples on the Balkans.

[Spasojevic] On my way to Skopje, I spoke in Pristina to one of the leading ethnic Albanian intellectuals, academician Rexhep Qosja. He said to me that the Albanian people, regardless in which Balkan state they live, have one goal in common—a unified Albanian state. I draw your attention to the fact that Cosja is a very influential ethnic Albanian, and very frank when speaking of the "holy Albanian cause." I have been under the impression that Podgorica, Belgrade, and Skopje have misunderstood the ethnic Albanian issue.

[Gligorov] So, you mean the ethnic Albanians foster the same idea as some Serbs do, like "all Serbs should live in one state." Why would not then Croats desire the same, or why would not some other people have the same ambitions? If Macedonians had also aspired after the same goal, and said that all Macedonians should live in one state - draw for yourself the conclusion to what would have happened on our motley Balkans. That idea is a great and evil Balkan illusion.

[Spasojevic] Many of your southern neighbor's troops have recently been stationed on the Greek border with Macedonia. Do you have an explanation for that? Are the Greeks in readiness because of the Albanians, or because of you?

[Gligorov] I am not familiar with the situation on the Greek-Albanian border, however, I know that on our border, or rather a bit further inside the Greek territory, there are lots of Greek soldiers. Frankly, I do not know the purpose of such amassing of troops and equipment. First, we do not present any threat for Greece; second, Greece is a member of NATO and the EC. How is it possible for member countries of these organizations to independently conduct actions?

[Spasojevic] It can probably be explained by the tense situation in former Yugoslavia.

[Gligorov] Greece officially claims that it has nothing against Macedonia's existence as an independent state, and it is "only the name" that bothers it. This means that those Greek troops are not an announcement for any military threat, let alone an intervention. However, in areas where emotions have reached their climax, unwise moves are possible. One should keep that in mind. I think that Greece has no motive, nor would it be approved or justified by anyone abroad, to attack one small, peaceful country with a small army that only watches and protects its own borders. If the contrary happens, it would be a Greek moral defeat, not ours. Fortunately, there are many reasonable people in Greece, and I do not believe in a military option.

[Spasojevic] The relations between ethnic Serbs and Macedonians are very delicate, to put it mildly. It started with a mess taking place on New Year's Day in the village of Kuceviste, in Skopje Crna Gora, which is populated predominantly by ethnic Serbs. I guess that the Macedonian authorities have nothing to do with it.

[Gligorov] Macedonia has no interest in generating troubles like those that happened in Kuceviste. Our policy toward ethnic minorities has already been determined. We want everybody in Macedonia to feel at home. We want all minorities to enjoy the rights to which they are entitled by our Constitution. According to the CSCE assessment, our Constitution, in comparison with constitutions of other former Yugoslav republics, is the most liberal regarding the question of ethnic minorities. Of course, despite regulations, reality makes us aware that problems in interethnic relations still exist, and such problems will exist even if we settle the issue of ethnic minorities in the best way. Our main orientation is to handle the problems through dialogue and mutual respect. Many people forecasted, and continue to forecast that interethnic clashes will break out here. However, our orientation is to regard the internationally established standards of interethnic relations.

However, you are right when you say that the question of Serbs in Macedonia has turned out to be the major issue now. I think that Serbia itself provoked it. I remember the statement of Dr. Budimir Kosutic who claimed that 250,000, or 300,000, or even 400,000 Serbs live in Macedonia! The Albanians also claim that 700,000, 800,000, or even 1 million of their people live in Macedonia, and when we add them all up, it appears that not a single Macedonian lives here. Or otherwise Macedonia should have at least 3 and a half million people. However, only 2 million live here.

[Spasojevic] How many Serbs do you think live in Macedonia?

[Gligorov] I recently had very constructive talks with members of the Association of Serbs and Montenegrins, and I think that we understood one another. The question how many Serbs live in Macedonia is entirely irrelevant. Would any reasonable person dare say that, in former Yugoslavia, Serbs were not allowed to freely declare themselves Serbs in Macedonia? After the war, several censuses were conducted, and the number of Serbs in Macedonia oscillated around 45,000. This figure included a considerable number of the Yugoslav People's Army officers and their families. Some of them remained here. It is clear that there must have been more Serbs at that time, than now. But, let us assume that today we have the same number.

One constantly forgets that the amiable atmosphere of friendly relations between Serbs and Macedonians were created over a long period. I have stressed that many times. It is the result of mutual cooperation, but also because the Serbian people recognized Macedonians and Macedonia as a nation at the First Assembly of the ASNOS [Anti-Fascist Assembly of People's Liberation of Serbia]. In that way the opportunity was created to resolve some old debts. Just look at our media. You will see that many people working either for the television, or writing for our newspapers are Serbs. Or, look at the newsstands, each of them distributes Belgrade newspapers. Each morning I receive POLITIKA, BORBA, EKSPRES, NIN.... How would the Serbs in Macedonia feel if they were really endangered?

[Spasojevic] As the head of Macedonia you do not mention Serbs in your official statements. Some of them told me that in your recent speech in Ohrid, you addressed all nationalities living in Macedonia, except Serbs! Was that by chance?

[Gligorov] I regard interethnic relations as a very important factor for stability and the existence of Macedonia, and I always address every nationality living here. It is true that at the beginning I used to omit Serbs. However, I had a very good reason for doing so, and that reason of mine has become the ethnic Serbs' main complaint, although it was not done deliberately. We made our Constitution within the former Yugoslavia, and if we had addressed the Serbs together with other minorities, such an act would have been understood as a degradation of Serbs. They were a constituent people in the former Yugoslavia. In Macedonia we could treat them neither as a nation, nor as a minority. And we simply skipped them.

[Spasojevic] Yes, but your Constitution does not mention the ethnic Serbs at all.

[Gligorov] The same applies to the Serbian Constitution. It does not deal with the question of ethnic Macedonians.

[Spasojevic] Do you have any objections to the treatment of Macedonians in Serbia?

[Gligorov] If you compare the treatment of Macedonians in Serbia, and that of Serbs in Macedonia, you will easily note differences. Macedonians do not amass in Serbia demanding their rights, as Serbs do here. The last school that taught in the Macedonian language was in the Serbian villages of Kacarevo and Jabuka, inhabited exclusively with ethnic Macedonians, just as Kuceviste is inhabited with ethnic Serbs. That school no longer exists! However, in Macedonia Serbian schools still exist. Whether there are enough of them, whether there should be more high schools, such questions should be discussed. It is really necessary to solve peacefully and calmly any misunderstanding between our two peoples. It is not good to disturb the people by yelling all over that Serbs are, allegedly, endangered in Macedonia. We find the behavior of people who carry around banners reading "This is Serbia" quite insulting. Not to mention the citizens' revolt caused by people carrying around pictures of Seselj [head of the Serbian Radical Party] or Arkan [paramilitary leader and member of the Serbian Assembly]. Such conduct is liable to punishment in any lawful state. There was no direct contact in Kuceviste between people and the police. There were no injured people. However, the reports in the Serbian press spoke of artillery! Later they gave up publishing such reports, because they figured out that we do not have such artillery.

[Spasojevic] How large is the impact of the overheated press from both sides of the border on Serbo-Macedonian relations?

[Gligorov] One should by no means ruin something that one has toiled to create through the decades, such as the Serbo-Macedonian friendship. It is not a good thing that some of your colleagues, or Seselj and Arkan, should arrange relations between our two peoples. It is not good for Macedonians, and still worse for Serbs. Even FRY President Dobrica Cosic recently stated that Serbs are the most endangered people in Macedonia! I was at a loss for words. No one is going to be better off if we keep issuing such or similar statements. There is no reason to do that. Why did we not endanger the officers and their families? Why did we not encircle garrisons? Why would we now endanger the native Serbs who are citizens of this state? Why would we treat them differently? Accusing us of such conduct is totally untrue, even crazy.

[Spasojevic] Rumors say that some new routes have been established - Sofia via Skopje to Tirana. They are alleged to be both economic and spiritual. Do they really exist, and what is, actually, behind those routes?

[Gligorov] First, Macedonia momentarily has very practical reasons for establishing stronger relations with its neighbors. The sanctions against Serbia and Montenegro have closed our routes to the north. So alternative ways must be found, for we have to live on something. Second, the fact is that some of those routes were artificially closed, or not enough used. We have to trade with all our neighbors, although the trade connections with Bulgaria and Albania are not so developed as our already well-established north-south route. However, in such a situation, Macedonia must trade with all neighbors. Such an attitude is absolutely normal, and one should not imply that we have orientations of a different nature. Nevertheless, the north-south route, that is to say toward Serbia and Greece cannot be substituted. I keep on saying: If I were asked which country I would most like to have friendly relations with, I would first say, with Greece. On the other hand, why should we change anything in our economic, cultural, and other relations with Serbia? What reason would be good enough to do that? And, why should we not have friendly and economic relations with Bulgaria and Albania after all? They are developing countries, and I see no reason to prevent our trade and other relations from expanding.

[Spasojevic] I have wanted to ask you this for a long time: Do you sometimes think that you, possibly, made a mistake, because the existence of the rump Yugoslavia depended on you? Namely, you and Bosnian President Alija Izetbegovic set the terms for the existence of Yugoslavia, that is to say, if Slovenia and Croatia had remained in the Federation, then Macedonia and Bosnia-Hercegovina would also have remained. Do you not think that a Yugoslavia composed of Macedonia, Montenegro, Bosnia-Hercegovina, and Serbia was possible? We might have avoided the war that way.

[Gligorov] I do not think the war could have been avoided. The situation in Bosnia-Hercegovina was getting more and more complicated. No one knows what would have happened if Macedonia had entered the four-fold federation. After the disintegration of Yugoslavia, the only reasonable act was to acknowledge the existing state of facts, which is, to acknowledge that the former republics had become states. If we had recognized one another then, if we had been reasonable enough to prevent this unfortunate war happening, we could have had good grounds for cooperation. Then, as I see it, the interests and needs of the people would have been put first, and new ways for cooperation could have been found, but only as a European option, that is to say within the EC. We have to follow the European course, after all.

Montenegro

Muslim Refugees From Trebinje Arrive

AU0102163893 Paris AFP in English 1615 GMT 1 Feb 93

[Text] Podgorica, Yugoslavia, Feb 1 (AFP)—More than 2,000 Bosnian Moslems, expelled from the Serb-controlled city of Trebinje, took refuge at the weekend in Montenegro, the Red Cross said here Monday [1 February].

Aeshikat, a Moslem group, and the Red Cross provided shelter for 700 of the refugees in Tuzi, near here, and in Moslem-majority communes in Ulcinj along the Adriatic coast, Plave and Rozaj.

Some 200 Moslems came to Rozaj, in eastern Montenegro near the border with Serbia, after being prevented from trying to rejoin relatives and friends in Moslem-majority Sandzak, southern Serbia.

Serbian police turned them back at the border post of Ribarici, the Red Cross said, adding that they were put up in local mosques in Rozaj.

The Montenegro Red Cross, noting that new groups of Moslem refugees from Trebinje were still arriving in Montenegro, said it was running out of resources, with diminishing space to shelter the refugees and food supplies dwindling.

The Serbs forced several hundred Moslems to leave Trebinje last week, allowing them to carry only one light piece of hand baggage.

The Serbian authorities in Trebinje said they had not authorized the "ethnic cleansing" and that groups out of their control had been terrorizing local Moslems and Croats for the past several weeks, as well as Serbs who were trying to defend them.

Kosovo

Serbs Attack Albanian Schools, Issue Threats

AU0102171893 Tirana ATA in English 0924 GMT 1 Feb 93

[Text] Tirana, February 1 (ATA)—Violent Serbization of the Albanian school in Kosovo is intensifying with each passing day. Last days a group of Serb armed civilians violently destroyed to pieces the slab bearing the name of Azem Bejtje in the elementary school of the village of Grabanice of Gline and replaced it with a slab with Serb name on it.

The Serbs celebrated this violent act by firing guns in the streets and threatening the Albanians. Such acts against the Albanian school in this commune occured in the elementary school ?Motrat Qiriazi? in Gline. A group of Serb youngsters broke the glasses of this school instigated by the Serb local authorities, residents admit.

Rugova Denounces 'Silent Ethnic Cleansing'

AU0202073793 Paris AFP in English 0413 GMT 2 Feb 93

[Text] Pristina, Yugoslavia, Feb 2 (AFP)—The leader of the majority Albanian population in the Serbian-administered region of Kosovo, Ibrahim Rugova, has denounced what he calls "silent ethnic cleansing" by the Serbian authorities.

The Serbian campaign is aimed at emptying the region of its ethnic Albanian population, which make up between 85 and 90 percent of the population, Rugova said in an interview here with AFP.

"Silently, using a variety of means, the Serbs are pushing the Albanians to leave their land," said the 46-year-old writer, who was elected president of a self-declared Kosovo republic in a semi-secret poll last May.

Many observers have named mainly Moslem Kosovo, which borders Albania in the southern tip of Serbia, as the probable next flashpoint in the spreading Yugoslav conflict. A war here, they note, could draw in neighbouring countries and spark a wider conflagration.

Rugova in particular singled out recent operations by Serb police, ostensibly aimed at searching for illegally-held arms in Kosovo but which he said were being used as a way to intimidate ethnic Albanians.

A human rights observer team from the pan-European Conference on Security and Cooperation in Europe (CSCE), which has been based in the province since last October, has in recent weeks recorded a growing number of complaints from Albanians about the searches, some of them alleging violence.

According to the main Albanian political movement here, LDK, massive police raids have recently been mounted in the west, south and north of the province.

"This systematic campaign is aimed at making people leave, but also at provoking them, so as to provide an excuse for wider repression," Rugova said.

"If war breaks out in Kosovo, it will be worse than in Bosnia, so great is the Serbs' determination to retain their hold over this land," he said.

Rugova calls for nonviolent resistance to Serb rule in order to attain the ethnic Albanians' demand for independence.

Resentment of Serb rule has been on the rise here since 1989, when Serbian President Slobodan Milosevic withdrew Kosovo's former autonomous status within what was then a united Yugoslavia.

Serbian authority is now exercised relentlessly, and many administrations, including schools, have been purged of their ethnic Albanian staff. Albanians have also been fired from many private firms.

"Peaceful means are our only choice for winning our independence," Rugova said, warning however that the Albanians' patience could start wearing thin.

If a peaceful solution was not found, what was now only verbal resentment could turn into something else, he said.

"It is out of the question for us to remain alone with Serbia, we have already had too much painful experience of that," he said.

However he added that an independent Kosovo would be "neutral, demilitarised and open to both Serbia and Albania in a regional framework."

Asked about the financial resources of the Albanian independence movement, he said much of it came illicitly from Albanian emigrants working elsewhere, many of them in Germany, Switzerland and Scandinavia.

He revealed that late last year customs officers in neighbouring Macedonia, a republic which has declared its independence from Yugoslavia, had confiscated a million German marks destined for Albanians in Kosovo.

The Macedonian government had promised to hand the money over to Kosovo, but they "have not done so yet," he added.

Albanians Discuss Education With Vance, Owen

AU2901160493 Tirana Radio Tirana Network in Albanian 1430 GMT 29 Jan 93

[Text] The Kosovar delegation for Albanian education made up of Dr. Fehmi Agani, Kosovo Democratic Alliance deputy chairman, Dr. Ejup Statoci, Dr. Hilvi Islami, and Magister Rexhep Osmani met with Cyrus Vance and Lord Owen [Conference on Yugoslavia cochairmen] in Geneva yesterday. On this occasion, the Kosovar delegation informed the cochairmen of the grave situation of Albanian education in Kosovo and the uninterrupted violence exerted by the Serbian power.

Differences Among Kosovo Albanian Leaders

93BA0514B Belgrade BORBA in Serbo-Croatian 20 Jan 93 p 12

[Article by Milos Antic: "Differences Among the Rugova-Cosja-Berisa Trio"]

[Text] For the first time, after almost four years of the national homogenization of Albanians in Kosmet [Kosovo and Metohija] and a unified political position on the general national issue, different views on the part of individual leaders are appearing on the Kosmet Albanian political scene.

The first rifts occurred immediately after the position of international institutions "that Kosovo is an integral part of Serbia and there is no question of any kind of forcible change in the borders, nor are the independence of a republic of Kosovo and its right to secession recognized." This international position seriously shook the position of Ibrahim Rugova, who is still the leading Kosmet Albanian leader. For years he has advocated the idea of an independent and sovereign Kosovo, i.e., a second Albanian state in the Balkans.

In recent days Rugova, with assistance from Prime Minister in exile Bujar Bukosi, has initiated broad international activity and is sending messages from the world "that the international community has sympathy for the Albanian and Kosovo cause." At the same time, they are persuading international factors that Serbia is committing massacres and genocide against the Albanians, and therefore they are seeking to have the UN immediately send peacekeeping forces to Kosovo.

Instead of his previous insistence upon a sovereign and independent Kosovo, Rugova is now stressing "its neutrality with respect to both Serbia and Albania." Admittedly, he does not conceal that in any possible talks about Kosovo's future he will seek as much as possible, but it has been widely commented among the public here that he would even be satisfied with what the Albanians had under the 1974 SFRY Constitution.

The extremist nationalist-secessionist forces which advocate war as the only solution to the Albanian question do not agree with this. Furthermore, they completely reject anything except the idea of the national unification of Albanians in all territories where they live. Those forces are gathered around the National Unification Party, whose leader is Haljilj Alidamaj, a former colleague of Rugova's, who split off from his Democratic Alliance of Kosovo and formed this party.

For the time being these forces, for the sake of "peace at home," are avoiding public confrontations with Rugova and his policy. That, however, is why Academician Redzep Cosja, who heads the Forum of Albanian Intellectuals, does not shrink from publicly informing

Rugova of "all his mistakes and blunders" and portraying him to Albanians as an authoritarian autocrat. Cosja is also an advocate of the unification of all Albanians, regardless of the price that has to be paid for it. His idea of holding an all-Albanian assembly of national unification and reconciliation, which he planned to hold along with the forces that lost the last elections in Albania, has failed. He is not a member of any political party in Kosmet, so those whom he criticizes do not take all this too seriously. They think, or at least that is what they want to show the public, that it is all an "assault by an isolated horseman" who does not have any real followers.

Redzep Cosja, however, is not giving up his idea. Some time ago, in an open letter published in the Pristina newspaper ZERI, he also opposed Albanian President Sali Berisha, criticizing him bluntly of betraying the Albanian cause.

The reason for his writing this letter was Berisa's statement at NATO headquarters in Brussels "that the idea of a Greater Albania has absolutely no foundation among serious Albanian political forces," and also "that Albania has not sought, is not seeking, and will not seek a change in the existing borders," and "that the most important thing for Albanians during this period is the development of democracy, and respect for their human rights and freedoms where they live." Redzep Cosja, in his open letter to Berisa, was so enraged that he gave the Albanian president a lecture on history, morality, and above all political literacy. He accused Berisa of betraying the national ideals of all Albanians who live outside the motherland. He characterized Berisa's words as "intolerable and tragic, as well as unworthy of the president of Albania."

Vojvodina

Province Said Inundated With Various Weapons

93CH0317A Budapest NEPSZABADSAG in Hungarian 20 Jan 93 p 9

[Article by Iren Dobosi: "Vojvodina: Arms Craze"]

[Text] On New Year's Eve we were lying face down on the floor. I don't think we were alone in doing this; the shooting in Ujvidek [Novi Sad] was of frightening proportions. What has been going on for two years became more intensive a few days before 31 December, just to accent the holidays. People from Ujvidek fired shots from pistols, hunting rifles, and even submachine guns to welcome the new year. This kind of thing happened in all of Small Yugoslavia, and there also were victims, of course. In Belgrade a group of people on the rampage shot to death a young woman, some people lost their eyes, and others lost their arms. Shooting was perhaps even more intensive on 13 January, the Pravoslav New Year's Day.

Weapons, just like military duty, have always been cherished by the Serbs. They say that a man rejected by the army for some reason is not man, and this is the greatest insult one can think of in the Balkans. The fighting Serbs also foster contempt for people scared of weapons, because in this country they take advantage of every opportunity to fire weapons: celebrations, weddings, the birth of children, and anything else you can think of. The situation is the same with the people of Montenegro; on New Year's Day they fire five or six obligatory shots in the ceiling, claiming that this would make the new year a happy one. They, too, celebrate the birth of a child by firing shots, but only if the baby is a boy. Girls are not entitled to this honor. Montenegrin settlers in the Vojvodina brought along their customs; whenever Vojvodina Hungarians go to see a new baby born to their Montenegrin neighbors, they too fire one or two shots from their hunting rifles in honor of the newborn child, for good order's sake.

This is not an entirely new phenomenon; it started about two years ago when the war began. Regarding the New Year's Eve shooting we could ask: From where do people in the Vojvodina obtain this huge number of weapons?

Based on not entirely accurate information, police estimate that people in the Vojvodina have in their homes about 150,000 various types of shooting weapons—rifles, pistols, and machine guns—and tens of thousands of hand grenades and cartridges. Most of these originate from reservists returning from the front, and only a small proportion of the weapons was acquired by legitimate means. Although the country has a law on bearing arms, no legal provisions control the possession of weapons. This legal void may be abused by many.

People are justifiably nervous about the circumstances that evolved as a result of the war and the economic blockade, and are prepared to reach for their weapons in response to any minor incident. Newspapers regularly report in their black chronicles the increasing number of murder incidents. Most recently, two young people were killed in Ujvidek; in Belgrade, one teenager shot another simply because he liked and wanted to have the other's leather jacket. The fact that the number of weapons in the hands of young people is also on the increase raises concern; many have their pistols on them even while attending school. In one of the Serbian schools a class made plans to "do away" with one of the female teachers because, in their opinion, she was too strict with them. A student chosen on the basis of lottery drawing (coincidentally he happened to be the honor student of the class) fired at the unfortunate teacher from behind his desk. Although the teacher survived the serious wound, she, understandably, did not want to return to the school.

Last year in the West Bacska [Backa] municipality of Zombor [Sombor] authorities confiscated more than 100 light automatic guns and machine guns, 197 pistols and revolvers, six armor-piercing rockets, about 30 carbines and hunting rifles, 31 telescopic rifles, 203 hand grenades, 24 mines, and a very large number of explosive mechanisms. At Versec [Vrsac] in the Banat region 2,673 people applied during a nine-month period last year for permits to bear arms, while the same number for the entire year of 1991 was 1,763.

We will soon reach the point where a Vojvodina village in which every household on an entire street has some kind of weapon will not be a rare phenomenon. Whether a person has Italian drapery in the bedroom, a larger house, or a better Western car is no longer important—what counts is the possession of a better pistol or rifle. At least two, if possible.

Everybody wants to have weapons irrespective of occupation, educational level, or gender. Smugglers and black marketeers responded to this huge demand at the beginning of the weapons craze; as a result of this it has become a very simple matter to obtain weapons. Anyone with 1,000 or 2,000 German marks [DM] in his pocket can go to the market, look at the potatoes, onions, panties, and laundry detergents, then look under the counters. By making a small effort he can return home with an appropriate Kalashnikov.

Prices vary. On the black market they are asking between DM800-1,000 for pistols, while automatic rifle prices start at DM1,500. It is somewhat more difficult to obtain telescopic rifles; they cost DM2,000-3,000. Just as abroad, cartridges must be purchased separately at DM5 a piece. Hand grenades are the cheapest; interested persons must put only DM50 on the table to take them away. They use these, for example, to scare the controller on the bus if he catches someone riding free. This has actually happened. Hand grenade prices are up as compared to early last year's prices, because an awful lot of hand grenades were available in 1992 at this time of the year. A year ago one could buy a hand grenade for as little as DM5. Since persons returning from the front are subject to stricter controls, the price of hand grenades has increased tenfold.

It would be a mistake to believe, however, that weapons can only be acquired illegally. State-owned and private stores selling guns advertise virtually every day. One of the most successful manufacturers of the country, the plant that manufactured the Zastava cars before and whose cars were also known abroad, is now almost exclusively engaged in the manufacture of weapons. In earlier days they prepared long lists of prospective car buyers; now they are doing the same for prospective buyers of weapons. The factory delivered 8,500 pistols and revolvers in December 1992 alone. Depending on the weapon's caliber, prices fluctuated between DM170 to DM370, far lower than the black-market prices. Quite naturally, an explanation also exists for the price differential: While black marketeers work on a cash-and-carry basis, one has to wait on occasion for several months when dealing with legitimate weapons dealers. The greatest demand is for Magnum 357 pistols, according to people at the Zastava works.

As much as possible, police are trying to tap the weapons dealers and to arrest those who acquire weapons illegally. But this effort is insufficient. Despite frequent raids, a tremendous number of weapons is available. As they say, hand grenades and the various homemade explosive mechanisms are most dangerous; these are used by irresponsible people even to catch fish! An increasing number of armed people test their weapons at night in their courtyards, or from the terraces of their multistory homes. Shootings at night have become a customary phenomenon at the Lima and at the Klisa settlement of dubious distinction in Ujvidek. The police are helpless in these cases because they cannot tell who is shooting from where: Some trigger-happy persons alternate in firing shots and responding to shots fired from the opposite direction. People do not dare walk on the streets at night in these sections of the city, and they think twice before entering these areas during the day.

Most certainly, the weapons race cannot be stopped as long as the war continues.

Ujvidek, January 1993